# to Evolve

berg carries out the threat.

There is, to be sure, an element of math in this critique, and Schoon. berg has never been forgiven. Paradoxically, he revered the tradition and the stylistic unity it made possible. Despite his defensiveness about his work, he never intended to user down the entire tonal system He moved to the United States in 1933 and eventually settled in Lo. Angeles, where he briefly became triend and tennis partner of George Gershwin, whom he respected immensely. There was nothing particularly about this respect Schoenberg simply felt that the services music of high culture operated on a different plane from other music, and radical currents had heen sweeping through serious mu.

sic for some time. He felt compelled, dimost against his will, to dismantle exsting procedures and devise new ones, it was a dirty job, in other words, but somebody had to do it.

What, exactly, needed to be decade old, the system of tonality was in crisis, and whatever one ultimately thinks of Schoenberg's solutions, his analysis of the prob-lem was assure, convincing and courageous. Although tonal music is ubiquitous, the concept of ton ality is hard to describe. In its mos common manifestation, music us ine major and minor keys, tonality is a system of organizing puch in accordance with acoustical principles. A certain pitch (say, the Cotthe C major scale) is fundamental The other pitches of the scale relate to that fundamental in an audible hierarchy of importance. Whatever happens, the music has to keep referring back to that fundamental

Some opera fans will pass the poster for "Moses und Aron" outside the Met, curse Schoenberg's name and go inside to buy ticket. for "Aida." They will miss the work of a composer placing meerything on the line, maybe crossing that line but not caring, so powerful was his compulsion to create this opera.

da of a

ping yearself up," Came told It Times of London in an interview Measing the model Shakira Baksh change all that "I stopped when I met movies," he said. "Romance took we had, of course, women do not like druntes.

per stock rocker Marilyn Manson stongel ed with missiles and abuse at a concention to and members of ambulance crews said

to constant said the injured at Sunday's gather technicisms, who was treated for a cut was of collect. Most of the injured fans were too, but some work more seriously burn when

tables if the growd before leaving the stage into set. One opacer goer, In Metcalt, sal wis had been thrown at other acts throughout pany said that he had walked off because he but that the concert would not affect his





Herald international Cribine. PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON PO

The World's Daily Newspaper

Paris, Wednesday, February 3, 1999

No. 36,055

# Going It Alone, U.S. Upsets France

So Paris Begins a Campaign to Strengthen Multilateral Institutions

By John Vinocur International Herald Tribune

PARIS - France is undertaking an active campaign to strengthen multilateral institutions as part of an effort to define the United States' potential for unitateral action as one of the world's great worries. It is, in effect, an attempt to limit American power and to convince other countries that they should work together to contain it.

The French initiative has come into focus over the last three months through statements by President Jacques Chirac, Prime Minister Lionel Jospin and Foreign Minister Hubert Vedrine. One or the other has asserted that a new American unilateralism has come to life, that it is unacceptable and that France will offer the General Assembly of the United Nations a set of principles for building a new international order "excluding unilateral temptations and leading to shared management of global risks and threats."

In the context of a decades-long register of French criticism of the American exercise of power, and the almost institutionalized quality of needling between centuries-old allies, the new initiative is different in two main respects.

It casts the United States as a primary international problem, a hegemonic force blocking power-sharing in the new century. And it proposes reforming, restructuring or reinforcing a number of international institutions, among them the UN Security Council or the International Monetary Fund, as a means of containing or counteracting

From an American point of view, the French approach is regarded as unwelcome and exasperating. Its systematic, almost codified aspects — France has laid out lists of "principles" for guiding the response to American power in wide areas of activity — is seen as bringing a new, uneasy dimension to global affairs.

The Americans find French self-interest dominating France's definition of the American world role. They insist that France disregards such elements as its own unilateral resumption of nuclear weapons testing or Europe's current lead position in the international attempt to resolve the confrontation in Kosovo. From the perspective of France, the United States cannot seem to embrace a multipolar world, and American unilateralism is an obvious emerging element in relation to Iraq and in dealing with talks on trade, the environment and the international justice system.

The significance of the French initiative will be apparent ponse it receives in Europe and beyond. As explained a formight ago by Alain Peyrefitte, a former cabinet minister under de Gaulle and now a guardian of Gaullist legitimacy, the problem with all French undertakings challenging American authority was that most of the world was quite content with what he called American domination.

But France may feel encouraged by recent remarks from Japanese officials complaining of "American dominance" in finance and trade and by Japanese positions that tend to align with French ones on reforming international financial

See FRANCE, Page 8



of Venezuela, saluting the crowd Tuesday as he entered the National Congress to be sworn in. Dubbed "Hurricane Hugo," he has promised a revolution to clean up the country's chronic corruption. Page 3.

## **Terrorists** Set to Strike U.S. Targets 'Any Time'

Bin Laden Seeking 'Vulnerable' Spots. CLA Director Warns

> By Brian Knowlton International Herald Tribu

WASHINGTON - The CIA director warned Tuesday that terrorist attacks on U.S. targets could be launched "at any time" by forces loyal to Osama bin Laden, the exiled Saudi millionaire blamed for the bombings last year of two U.S. embassics in Africa.

George Tenet, director of central intelligence, told the Senate Armed Services Committee that "there is not the slightest doubt that Osama bin Laden, his worldwide allies and his sympathizers are planning further attacks against us.

Mr. Tenet also expressed serious concern about stability in North Korea. "I can hardly overstate my concern," he said. "In nearly all respects the situation there has become more volatile."

Mr. bin Laden's "overreaching aim." Mr. Tenet said, is to force a U.S. military withdrawal from the Gulf, where thou-sands of U.S. soldiers and sailors have been based since Iraqi forces invaded Kuwait in 1990 and were expelled the next year in the Gulf War. He added, however, that "he will strike anywhere in the world he thinks we are vulnerable."

Attacks using conventional explosives were most likely, Mr. Tenet said, but kidnappings and assassinations were possible. He added that U.S. officials were concerned that Mr. bin Laden or other terrorist groups might obtain and use chemical or biological weapons.

Last month, Richard Clarke, the government's senior counterterrorism official, said there was no evidence that Mr. bin Laden had yet acquired such arms. But Mr. Tenet said Mr. bin Laden's group was "just one of a dozen terrorist groups that have expressed an interest in or have sought chemical, biological, radiological or nuclear weapons.

On Aug. 7, powerful conventional bombs leveled the U.S. embassies in Kenya and Tanzania, claiming the lives of about 250 Africans and Americans. The United States, saying it had evidence linking the attacks to Mr. bin Laden, fired Tomahawk cruise missiles later that month at his base in southern Afghanistan. Since then, U.S. efforts to counter terrorism and protect U.S. facilities at home and abroad have been dramatically heightened. President Bill Clinton has proposed a \$10 billion package of measures to protect the country

from terrorist attack. (Page 2) Recently, Mr. Tenet said, U.S. intelligence sources observed activity similar to what occurred prior to the African embassy bombings." He did not say where.

"I must tell you we are concerned that one or more of bin Laden's attacks could occur at any time," he said.

Mr. Tenet also made these points: Signs of social decay have increased in North Korea. "Crime and indiscipline are commonplace, even in the military and security services," he said. With North Koreans more likely than before to blame the nation's leader. Kim Jong II. for their problems, Pyongyang is likely to rely on "risky brinkmanship" in its

dealings with Washington. Iran is "more likely to face serious unrest in 1999 than at any time since the revolution 20 years ago." Moderates represented by President Mohammed Khatemi, he said, "are on the defense to a greater degree than ever before."

VENEZUELA'S NEW CHIEF --- Hugo Chavez, the new president

# Message to Shaky World Economies: You'd Better Get Used to It

By Jonathan Gage

DAVOS, Switzerland — As a jazz orchestra played and lights twinkled across an immense indoor swimming pool, the party-goers looked out over a sea of loaded buffet tables and surveyed the feast: Should they choose the smoked salmon, the foie gras or the shrimp royale? Or maybe all three?

Such were the harrowing choices last weekend at Davos as the mandarins of the world's financial establishment took a break from the tough work of

patching up the global economy.

As they partied, the 2,000 policymakers, political leaders and chiefs of multinational businesses practiced what they have been preaching: reflating the global economy with a burst of consumption in hopes of powering a demand-driven economic recovery. But back in the real world that message has failed to take root, they acknowledged.

And so there was not a whole lot to celebrate at this year's gathering of the World Economic Forum, 19 months after the onset of Asia's financial crisis and as intermittent tremors still shake economies around the world.

Indeed, the real message to emerge at Davos over the past week was: Get used to it. Financial turmoil and trouble is here for the long term and something the world must learn to live with.

One thing is clear, said the U.S. Treasury secretary, Robert Rubin. There are no "easy answers and no magic wands," he said, for overhauling financial institutions to make the world safe for

This is because no one really knows what to

Ted Hall, a director of consultants McKinsey & Co., said that first and foremost, "we have a crisis of thinking and facts, and we are trapped by them.

While markets become truly transnational and nearly instantaneous, he said, there is no evidence of anyone trying to treat the problems as anything other than a national problem." For the moment, many participants said, the best

hope is to learn enough about the new world of global markets and technology to ride out the inevitable cycles of crises.

'All participants know globality is here to stay," said Senator John Kerry of Massachusetts, reporting back from private talks here among ens of government leaders and other officials.

"No government thinks it can block the tide of globalization and technological change.' However, he said "there was no sense that there

should be some larger new international structure' to ride herd on the world's financial markets. Kenneth Courtis, chief economist and strategist for Deutsche Bank Group, agreed. The Davos conferees "aren't going to do anything dramatic, big and universal," he said.

Despite the pain the current crisis has caused in developing economies around the world, he said, it was far too short and far too small to effect real change, particularly because it hardly affected the world's core economies.

'We may fix some plumbing or holes in the

See DAVOS, Page 8

# Flees Australian Stage You Can Strike It Rich — but Happy?

## Small Investors Are Trading On-Line and Driving Market

By Tim Smart Washington Post Service

WASHINGTON - Cathy Wilkinson and Vinnie Cunning are two of the reasons the American economy is on fire. Both are avid investors in the stock market — Mrs. Wilkinson a novice, Mr. Cunning a veteran - but each shows the way Wall Street has evolved in the past couple of decades from a province of the wealthy to a marketplace for the

Their experiences and behavior show how far the market permeates daily life for many people, so much so that chatting about stocks now has replaced talk about real estate as the topic du jour of the middle class.

Just ask Mrs. Wilkinson, a 45-year-old mother of four in Dewey, Arizona, who listens to the morning market commentary on National Public Radio while driving her children

to school in her 1999 Volkswagen Beetle.

The children regularly check their mother's portfolio by personal computer and offer tips, recently urging her to buy shares in Wali Disney Co.

"I have a pretty specific goal in this E\*Trade account," she said, referring to the on-line brokerage that she uses to buy and sell stocks. "Any money made is to go to their private-school tuition. That was my lofty goal when I set it up.

Mr. Cunning, on the other hand, is a Virginia mail carrier who does not even own a personal computer. But he does watch "The Nightly Business Report" on public television

each evening.
Mr. Cunning, 58, has been investing steadily in the market

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See INVESTORS, Page 16

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Dark Side of American Dream: Money Can't Buy Well-Being

By Alfie Kohn New York Times Service

NEW YORK — The adage that money cannot buy happiness may be familiar but is easily forgotten in a consumer society. A much more persistent and seductive message is beamed from every television screen: Contentment is available for the price of this car, that computer, a-little more getting and spending.

Over the last few years, however, psychological researchers have been amassing an impressive body of data suggesting that satisfaction simply is not for sale. Not only does having more things prove to be unfulfilling, but people for whom affluence is a priority in life tend to experience an unusual degree of anxiety and depression as well as a lower overall

level of well-being. Likewise, those who would like nothing more than to be famous or attractive do not fare as well, psychologically speaking, as those who primarily want to develop close relationships, become more self-aware, or contribute to the

Earlier research had demonstrated that neither income nor attractiveness was strongly correlated with a sense of wellbeing. But Richard Ryan, professor of psychology at the University of Rochester, and Tim Kasser, a former student who is now an assistant professor of psychology at Knox College in Illinois, have discovered that the news is even

In three sets of studies published in leading psychology journals since 1993, with a new article expected later this year

See RICH, Page 16

Every day, an estimated 90,000

people travel by train or bus from Hong

Kong across the border to Shenzhen, a

rancous boomtown of thrusting sky-

scrapers and bottom-feeding nightclubs.

Many head straight for Lo Wu Com-

mercial City, a giant shopping mall de-

On a recent Sunday, crowds surged

through the maze of corridors, mobbing

hundreds of tiny stores selling fake

Gucci shoes, Fendi clothing, Prada bags

and Chanel wallets. While women rum-

maged through piles of merchandise, their husbands loitered outside, knee-

deep in shopping bags. As shoppers

elbowed one another aside for coveted

items, scuffles broke out

voted to imitation luxury goods.



UPHEAVAL IN BRAZIL — A trader reacting to falling stocks Tuesday in Sao Paulo after the head of the central bank was replaced, just a week after he had been confirmed in the job. The new bank chief is a former fund manager for the financier George Soros. Page 11.

# Hong Kong Flocks to Mall of the Fake

With five floors and 500,000 square

feet of retail space. Lo Wu may be the world capital of counterfeit goods. It is

also just 45 minutes away from the gilded boutiques of Hong Kong.

"We're obviously very concerned —

we're also very disillusioned," said

Kevin Ching, executive director of

Dickson Concepts, a retail company

that distributes Polo, Rolex and other

Lo Wu was built in 1994 to capitalize

on the closer ties between China and

Hong Kong as the 1997 handover of the

British colony to China approached. But it has become a rage among Hong Kong

See FAKES, Page 8

upscale brands in Hong Kong.

## **Hussein Gets Bone Marrow Transplant**

AGENDA

AMMAN, Jordan (Reuters) ---King Hussein, being treated in the United States after a cancer relapse, completed a bone marrow transplant on Tuesday, said Marwan Muasher. the Jordanian ambassador to Wash-

Mayo Clinic, where the king returned for urgent treatment last week, said the 63-year-old monarch was "holding up very well" but would be closely monitored for the next two

#### Books. Page 9. Crossword . Page 18. Opinion Pages 6-7. Pages 18-19. Sports .. Pages 4,15.

**Quick Kosovo Pact?** Negotiators who will direct the talks

this weekend between the Serbs and

ethnic Albanians over Kosovo believe

that they will have to impose a quick

compromise accord on the parties, ac-

cording to diplomats. Page 5.

# Tony Blair, Statesman - or Showman? A Few Critics Dare to Boo

New York Times Service

ionary, leader of a nation in dramatic transition, with a compassionate vision and a ruthless dedication to seeing it through. His name is Tony Blair.

He is all style and fluff, a spiffy promoter with a preachy speaking manner and a trendy tendency to put the possessive "people's" before the mention of any British institution and the verb 'modernize" in any sentence about his goals

for the country. His name is also Tony Blair.

Twenty months after he led Britain's "new" Labour Party to power, it is the first image of Britain's attention-getting 45-year-old prime minister that is prevailing — much to the consternation of his Conservative opponents, who have failed to

in British history and no one questions his extraordinary public appeal, people are asking what is actually inside the enticingly wrapped package he is offering.

Mr. Blair says he is leading a "radical" 10-year project that will free Britain from the grip of class consciousness, energize the individual parts of Britain by yielding much of London's authority over them, liberate British business from restrictions that discourage enterprise and punish risktaking, reduce the poor's dependency on the state, and end Britain's estrangement from the Continent and make it a leader in Europe.

Still, the Blair government's emphasis on presentation, or "spin," has left it vulnerable to criticism that all this may represent slick talk of

accomplishment, not solid accomplishment itself. "A gravity-defying victory of style over sub-stance," is the verdict of one critic. Boris Johnson, columnist for the conservative Daily Telegraph. Mr. Blair's government, said Michael Gove, a columnist for The Times of London, "is about entrenching a clique's hold on power, not advancing policies for the nation."

The end-of-year list of achievements put out in December by No. 10 Downing Street included the

See BLAIR, Page 5



3,000 Line Spain.

...1.250 JD U.A.E....

Ivory Coast. 1.250 CFA Tunisia ......

By Warren Hoge

By Mark Landler

SHENZHEN, China - Priced at \$58,

It was a fake, to be sure. But as the

eager shopkeeper pointed out, "The parts were made in Switzerland." And a

gennine Rolex would set you back at

least \$2,800 in a jewelry shop across the border in Hong Kong.

"Name your price," the young woman implored, when the shopper's gaze

drifted to a rack of handbags next door.

'Please," she said in a plaintive tone as

phony as her merchandise, "I haven't

had any business today."

the Rolex watch in the store window

here seemed like a pretty good deal.

LONDON - He is youthful, articulate and vis-

put across the second. But while he is the most popular prime minister

#### An Orangutan Interest Story /St. Petersburg Zoo All Abuzz

## Meet Monica, A Rising Artiste **But Bad Mother**

By Daniel Williams

T. PETERSBURG - She was an accomplished painter, and he was an immigrant from the Netherlands with a certain animal attraction - not to mention hands the size of a first baseman's mitt.

It wasn't love at first sight, but the pair shared an interest in swinging and vegetarianism. She soon gave birth to a baby boy with a head of fuzzy hair. But she was hindered by a secret, painful past and couldn't bond with the newborn. Doctors decided it would be better to take the wide-eyed baby away, at least until the mother learns child rearing from videos they plan to show her. If things go well — and if she can get hubby to put the videos on the tube instead of the wild adventure movies he likes - the family will be reunited.

Human interest story, you say? Not quite. Mom, pop and son are orangutans, and their bittersweet story lit up the otherwise dark winter in St. Petersburg, the decaying second city of Russia. And the fascination owes nothing to the fact that the mother in question is named Monica.

Monica is the latest in a long line of Russian animal celebrities whose lives have been altered by weird experiments in the interest of science and entertainment. Pavlov, whose dogs made behavioral science history by salivating at the sound of a bell, worked near St. Petersburg. The Soviet Union was the first country to send dogs into space. (They burned up during re-entry.) For almost a century in Moscow, the Durov family of circus performers has won fame by teaching the unlikeliest animals to do tricks: their legacy lives on at the Durov Animal Theater in the capital, where ravens turn the pages of books, cats ring bells, foxes play hide-and-seek. and monkeys ride dogs.

Monica has been taught to paint under the direction of researchers at - where else? - the Pavlov Institute on this city's outskirts. Her family saga contains an ironic twist; the researchers are having to teach her to be a mother.

Monica's home is the St. Petersburg Zoo, a kind of "Lower Depths" of the animal world. In winter, it is particularly bleak. Most of the animals are kept inside leathery-smelling buildings lit by artificial light. The only inmates on view outside are those accustomed to the climate: wolves with abundant fur. giant lumbering brown bears, thick-pawed Asian tigers, stocky Mongolian horses and mysterious Japanese monkeys with red faces that seem to glow. Snowdrifts press against the chockablock

cages in the 19th-century park.

Like almost every public institution in Russia, the zoo needs money, and Monica's problems have brought welcome publicity. "We have an animal adoption program here, and we would like foreigners to make donations to support, our animals, said the zoo's director, Ivan Korneyev, Monica and her family are taken, but there are plenty of owls

Monica arrived in St. Petersburg from Poland in 1987, through a purchase that was later found to be shady. Zookeepers are reluctant to discuss the details, but it seems she was smuggled while quite young from her native Sumatra through Poland in



Bad Willer The North Sec. Sec.

Monica, the latest in a line of Russian animal celebrities whose lives have been altered by experiments, warming up for her art lesson by chomping on a pencil.

some sort of monkey-laundering scheme. The zoo kept her anyway. She thrived and became a favorite

Payloy Institute scientists decided to teach her to paint as part of a comparative study of primates and human children. According to a psychologist at the institute. Leonid Firsov, orangutans and children to about age 3 draw the same way and can be taught the same things. Both can distinguish among colors and recognize shapes. Monica, for instance, after gazing at a blue quadrangle and a red disc, was able to color a white square blue and a blank circle red. "Of course, children go on to learn more." Mr. Firsov said. "The animals will not learn to draw representative objects. We are trying to understand the biological roots of creativity.

ONICA took eagerly to several media: crayons, pencils and paint. At first, she seemed interested mainly in performance art - she colored her nose instead of the cardboard sheets presented to her.

Nonetheless, Monica soon became a prolific painter, and her art teacher mounted an exhibit at a St. Petersburg gallery. No socialist realism for her, her work was strictly free-form. At the exhibit's Champagne opening, local intelligentsia earnestly discussed her technique of splashing paint on the canvases. One innovation: Monica decorated the back as well as the front.

In the middle of her budding fame came Rabu. orangutan and former resident of a Dutch zoo. He was imported as part of a program to breed wild animals in captivity as a means of curbing the illegal trade in such species. After some unfriendly tossing of fruit at each other, Rabu and Monica began to hold hands. Rabu knew how to please: a tickle under the elbow still makes Monica's honey-colored eyes shine. Before you could say "natural selection," a

baby — Ramon — was born.

The marriage was not without its rough parches. The usual thing: She had a good career, he didn't. Rabu occasionally stole her brushes and stuck them in his mouth. But he is clearly in love. When a reporter took a moment to cast an admiring glance at Monica, Rabu fulfilled the dream of every White House press secretary: He spit on the reporter. Twice. "He was just telling you not to take too much interest," said Yelena Gorashenkova, a zoologist.

Rabu eventually took up painting, too, although no one is gushing over his style. "Like a child, he was simply imitating," Mr. Firsov said. Ramon arrived last November. Rabu was a dot-

ing father; he had been blessed with a supportive orangutan upbringing in the Netherlands where captive extended families gave him the opportunity to observe child-rearing techniques and build orangutan self-esteem.

But Monica, who was snatched from her parents early and has spent much of her life alone, could not figure out how to breast-feed Ramon. Two days after Monica gave birth, her handlers decided to remove the infant from the cage. Miss Gorashenkova is caring for Ramon, feeding him goat's milk. changing his disposable diapers and letting him swing from her thumbs.

The Pavlov scientists are hopeful. They are trying to find "Bringing Up Orangutan" videos from other zoos for her to watch. The orangutans not only imitate, but also can be taught to follow verbal commands - for instance, pointing at their noses when told to. Once they think Monica has learned how to care for the baby. Ramon will be returned to the cage. The zookeepers expect that Monica will

become pregnant again and suckle her offspring.
"It's not that she fully rejects Ramon," Mr.
Firsov said. "She just didn't know how to bring it up to her breast for milk.'

Monica and Rabu took their separation from Ramon calmly. The pair has a new hobby: television. A receiver was mounted outside their cage to accustom them to watching TV in advance of the

Rabu is the more enthusiastic couch potato of the couple. He likes nature programs, especially ones with tigers - all of which irk Monica. She occasionally hangs from the rafters to block his view of the tube.

# New U.S. Carrier Boasts All but Enough Sailors

By Steven Lee Myers New York Times Service

ABOARD THE HARRY S. TRU-MAN, off Florida — The U.S. Navy spent \$4.5 billion to build this, the newest American aircraft carrier. It has two nuclear reactors, the latest electronic. computer and navigational equipment and, for the long cruises to come, amenities for the crew, like televisions in almost every berth.

What the navy cannot put aboard the Truman is a full crew.

Almost every department on the carrier faces a shortage of sailors, from the engine room to the intelligence division to the mess. The air department should have more than 600 sailors to carry out the choreographic feat of launching and landing warplanes. Last week it mustered 448.

"The people aren't there," Captain Thomas Otterbein said, sitting on the Truman's bridge as aircraft practiced takeoffs and landings in rolling seas 100 miles (160 kilometers) out in the At-

The Truman, commissioned by President Bill Clinton last July to join the 11 other U.S. aircraft carriers, is not alone. Two weeks ago, the navy disclosed that it has had as many as 22,000 empty positions, or billets, in a force of 372,000. The vast majority of those were aboard the service's 327 ships. rather than on shore.

The shortages have a variety of causes, not the least of which is a thriving economy that creates more enticing opportunities for young people than the prospect of long voyages at sea. The navy has responded with a variety of programs to counter that hard reality. offering bonuses and championing proposals now before Congress to increase pay and retirement benefits for all mil-

trary personnel.

The navy's commanders insist that, for now at least, the shortages have not hurt their primary mission, which is defending the United States. But they concede that the problem is taking a toll on ships like the Truman, where sailors and officers work longer hours to pick up the slack.

And that, in turn, is worsening the problems at the root of the shortages: recruiting new sailors and keeping those

who have already joined.
"It sort of feeds on itself," Captain
Otterbein said. "The workload still remains pretty high. Now you're laying it on the backs of fewer people."

In Norfolk, Virginia, home port of the Truman and fulcrum of the Atlantic Fleet, there are shortages on almost every warship, from frigates to attack submarines. The aircraft carrier Enterprise, whose warplanes provided much of the punch for the air raids against Iraq in December, left port last fall nearly 400 short of a full crew of more than

The Leyte Gulf, a guided-missile cruiser, is scheduled to deploy to the Mediterranean in March but so far has a commander, Captain Raymond Donahue Ir., said he expected to fill at least some of the most important slots before the ship steamed for six months at sea. but only at the last minute and with junior sailors.

"Some of their replacements will walk up the brow a week before they deploy," Captain Donahue said, referring to the ship's gangway. "They haven't trained with us. The continuity isn't there.

The challenges with recruiting and retention have affected the entire military, but the navy's difficulties have become particularly acute. The Pentagon's most recent survey on attitudes about the military found that only 9 percent of young men between 16 and 21 were likely to consider joining the navy, the lowest percentage for any of the four services - navy, army, air force and marines.

Last year, for the first time since the draft ended in 1973, the navy fell short of its annual recruiting goal, missing by 7.000. Since new recruits almost always go straight to sea after boot camp, that shortfall is now rippling through the

WEATHER

At the same time, the navy is not retaining nearly enough enlisted personnel, particularly those with highly technical skills.

The chief of naval operations, Admiral Jay Johnson, said in an interview that the shortage was only partly a problem of recruiting and retention. The service has thousands of unassigned sailors who could, with better management, fill the empty billets. Admiral Johnson said. The answer, he said, is to put the right people in the right billets at the right time.

Even he conceded, however, that the navy faces challenges far beyond the ability of better management; a declining ing willingness of young people to serve in the military and a thriving economy that entices those who would or do

Petty Officer Second Class Melissa Teames, an air traffic controller aboard the Truman, plans to leave the navy on April 7 after five years. Only 24, she is highly trained and disciplined. But the Federal Aviation Adminis-

tration is hiring again in the midst of a boom in commercial travel. And, as she explained, that agency does not send you to sea.

We're doing the same job here."
Ms. Teames said, standing inside the darkened control center beneath the Truman's flight deck, "but under more difficult conditions. The navy admits that life at sea is not

for everybody - even aboard the bigcarriers. As big as it is - longer thanfive city blocks and, from the waterline to its highest point. 20 stories tall - the Truman is cramped and crowded. Except for the cavernous hangar bay, its passageways are narrow.

There is very little common space and even less privacy. Enlisted sailors sleep in bunks, stacked three deep, a step away from three more. They call them "coffin racks." For those who work deep in the ship's hull, it is possible to pass days at a time without seeing day-

At a muster last week, the Truman's 'ship's crew' totaled 2,543, more than 13 percent below a full contingent of 2,933. The Truman does not yet have aircraft squadrons on board. Once it does, the total crew will grow by 2,300

The Truman will not deploy overseas until next year. The ship spent six weeks at sea late last year and has another cruise planned in March. It steamed into the Atlantic this week to allow pilots to perform the takeoffs and landings they need to stay proficient.

While at sea, the shortages are felt in ways large and small.

Sailors have to work longer, usually 12-hour shifts, and spend more days in duty stations. handling watch or otherwise being on call.

Even the ship's mess is affected. It has half the cooks it needs, and so sailors from other departments have to fill in.

## Florida Calls Off Photo ID Sales

WASHINGTON - Governor Jeb Bush of Florida has canceled the sale of state driver's license photographs to a private company, as outrage over the release of millions of images by motor vehicle officials in several states continued to build.

Drivers in Florida, South Carolina and Colorado have complained to their state governments about an effort by a small New Hampshire company to build a national database of drivers' photos and personal images for use in an anti-fraud service for retailers.

Executives at Image Data LLC of Nashua, New Hampshire, have said their computers can securely flash the image of a person named on a credit card or a check to a small screen near a cash register.

But after learning about the arrangements, thousands of people complained they were not informed. Many also expressed fears about their privacy and the security of the company's databases.

## U.S. Anti-Terror Outlays: Girding for Tomorrow spending on counterterrorism this fiscal not arrive in Nairobi until 40 hours after

By Vernon Loeb Washington Post Service

WASHINGTON - The U.S. govemment has poured more than \$2 billion in emergency funds into counterterrorism since bombs devastated two American embassies in East Africa last summer, hardening buildings, bolstering security forces and buying the latest in counterterrorist technology.

The State Department is coating embassy windows all over the world with protective film to guard against flying glass shards in case other bombs go off. The Federal Aviation Administration is buying sophisticated CAT scan equipment for airports to find explosives in suitcases. The Pentagon is setting up Nabiological attacks. The FBI is preparing for takeoff in its own Gulfstream 5 ultralong-range business jet, able to fly teams of agents to terrorist incidents around the funds, increasing overall government

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what they are doing with \$350 million in classified funds. But one source with access to their budget said most of the money has been earmarked for eavesdropping and communications equipment easily trained on terrorist cells.

With President Bill Clinton promising \$10 billion for counterterrorism in the budget proposal just sent to Congress. his priorities — deterrence, prevention and preparedness - are already evident as dozens of agencies and hundreds of federal employees carry out spending plans devised just after the embassy bombings in Kenya and Tanzania.

"The counterterrorism area has just mushroomed." a senior Justice Depart-ment official said. "It's on everybody's tional Guard rapid-response teams in 10 ment official said. "It's on everybody's states. The Justice Department is doling radar screen. And the whole issue of out equipment and training grants so fire coordination among agencies is really a to each other - and there really has been quite a lot appropriated.

The \$2.1 billion in supplemental

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Intelligence agencies decline to say year to more than \$8.5 billion, went a long way toward rectifying the failure of the Africa bombings were blamed, said David Carpenter, assistant secretary of state for diplomatic security.

The State Department alone received \$1.4 billion to rebuild the embassies destroyed last year in Nairobi and Dar es Salaam, Tanzania, relocate eight other vulnerable embassies, upgrade buildings and security equipment at 250 other embassies and consulates, hire 1,000 new embassy guards and deploy 200 more diplomatic security agents.

The single most important initiative, Mr. Carpenter said, has been the decision to hire 200 diplomatic security agents, added to the current force of 850.

In addition, a commission headed by retired Admiral William Crowe that departments are ready for chemical or big deal around here. People are talking looked into the bombings singled out one area for repeated criticism: aircraft support. The first Foreign Emergency Support Teams from Washington to Kenya experienced delays of 13 hours and did

the bombings, the commission found. While one team departed within six insight and the failure of funds on which hours, its military aircraft broke down in Rota, Spain, and caused a 15-hour delay before a backup could arrive. Another team bound for Dar es Salaam was delayed from taking off for 24 hours because, with the military's designated plane already headed for Nairobi, a substitute could not be found.

Another air force plane loaded with additional support personnel broke down in Sicily two days after the bombings and was delayed for eight hours. The government's response: \$120.5

million in the emergency supplemental appropriation to buy three Gulfstream 5 jets, capable of flying 6,500 miles (10.500 kilometers) at speeds up to Mach .885. The FBI is to have dedicated use of one of the iets to respond to terrorist emergencies and the Federal Emergency Management Agency is to use another, U.S. officials said. They said they could not comment on what agency would have use of the third.

## TRAVEL UPDATE

## U.S. Bill Targets Airline Practices

WASHINGTON (NYT) - Airlines would have to tell passengers when a flight had been oversold, why a plane was late or a flight had been canceled, and how many seats were available for purchase with frequent-flier miles, under a bill that two senators said they planned to introduce this week. The bill, co-sponsored by Senator Ron Wyden. Democrat of Oregon, and John McCain, Republican of Arizona, would also let consumers return all tickets within 48 hours of purchase.

#### Most German Train Fares to Rise

FRANKFURT (AP) - The German milroad announced Tuesday an increase in prices starting on April 1 for all passengers except families with young children. Deutsche Bahn plans to raise fares in the West by 1.5 percent, and by 5.2 percent in the East to match the new, nationwide level, said Ingo Bretthauer, head of the railroad's travel and tourism division. The age limit for fare exemption will be raised to 6 from 4. There will be half-price fares for 6to 11-year-olds.

Thousands of Brussels commuters were forced to walk to work Tuesday when subway engineers and some bus drivers went on strike after a colleague was assaulted. (Reuters)

#### Correction

An article in the Jan. 30-31 editions incorrectly dated the Latin ord "niger," or black, from the year 1700. The date should have referred to the time lexicographers believe the Englishlanguage racial slur, derived from the Latin, came into usage.

# Middle East

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Members of Congress discussing the latest questioning of Monica Lewinsky. From left, Senator Patrick Leahy of Vermont, Senator Mike DeWine of Ohio and Representative Lindsey Graham of South Carolina.

## Jordan's Turn to Be Questioned About Clinton

By Brian Knowlton International Herald Tribune

strengthen their case that President Bill Clinton obstructed justice to conceal his affair with Monica Lewinsky, House prosecutors on Tuesday questioned one

His closed-door testimony came a day after Mr. Clinton's attorneys, given a chance to question Monica Lewinsky for four hours, instead merely read a one-sentence apology that they said

would like to tell you that we are all very said Nicole Seligman, one of Mr. Člinton's private attorneys, according to a source who was quoted by The Wash-

She confirmed her earlier testimony

about a sexual relationship with Mr. Lewinsky to appear on the Senate

Clinton, but appeared sympathetic to-ward him and was careful not to make "We'll do that Thursday, I think, the prosecutors' jobs easier.

She did not provide the sort of 'bombshell' that prosecutors had hoped for, reports said.

Barring a major surprise in the testimony Tuesday by Mr. Jordan, or on Wednesday by the White House aide Sidney Blumenthal, the Senate impeachment trial appears on track to end by Feb. 12, almost certainly with his acquittal on the charges of perjury and obstruction of justice.

House "managers" said, however, that they were not discouraged. Ms. Lewinsky confirmed the evidence on which they have built their case, they

Videotapes of her testimony were

White House effort to influence her testimony in the Paula Jones sexual har-Lewinsky Hears President's Brief 'Very Sorry' assment suit against Mr. Clinton.

Senators, particularly Republicans, were continuing Tuesday to study ways to express condemnation of Mr. Clinton's conduct without removing him irrespective of how one would evaluate what went on today," he said. While many Americans have turned from office, though each new idea drew criticism from some Democrats.

#### ■ A Skilled Witness

The Washington Post reported earli-

Ms. Lewinsky, 25, maintained her composure throughout the session Monday and was in clear command of details, to the point where she sometimes corrected her questioner. Representative Bryant, according to people in the room and others who were briefed afterward.

"She didn't volunteer information," There was unspoken irony in such one source said. "She was much more coached and guarded."

extraordinary security. Detailed accounts of Ms. Lewinsky's ostensibly Several people in attendance were struck with her now-honed skills as a

> Mr. Bryant asked about the job search led by Mr. Jordan and focused on her phone conversation with Mr. Clinton on Dec. 17, 1997, when he informed her that she was on the witness list in the Jones case. And he elicited a statement from Ms. Lewinsky that it was possible that Mr. Clinton's secretary, Betty Currie, picked up gifts from the president about 90 minutes later than she remembered, a key point of dispute at the

Ms. Lewinsky's lawyers objected several times to Mr. Bryant's questions. sources said. Once when he appeared to be asking about details of her sexual encounters with the president, her lawyers cried foul. And repeatedly they complained that he was asking two or

more guestions at once. After several such clashes, Mr. Bryant himself took back a question. "See? I'm making my own objections," he said, according to one person in the

'Sustained!' Ms. Lewinsky called

WASHINGTON - Still hoping to

of his closest friends. Vernon Jordan

came from Mr. Clinton. 'On behalf of the president, we sorry for what you've been through,

Ms. Lewinsky, according to several reports about the private meeting, was poised, confident and well-prepared during her questioning by House Republican members who are prosecuting the impeachment trial of the president.

already being viewed by some senators

Representative Ed Bryant, Republi-can of Tennessee, who led the House prosecutors' questioning Monday, said later that he still planned to press for Ms.

of pumping more than its OPEC quota.

of progress." In Washington last week,

But on a visit to Cuba last month, Mr.

it on security grounds.

Chavez embraced President Castro

democracy.

Mr. Chavez's oratory has remained

secret interview were widely reported within hours of the end of the session Along with the House prosecutors, Mr. Clinton's legal team, Ms. Lewinsky and her lawyers, the session was at-

telligence briefings.

tended by a few senators. The questioning of Mr. Jordan was led by Representative Asa Hutchinson

their backs on the trial, the apology to

Ms. Lewinsky allowed the president's

team to dominate newspaper headlines

Tuesday, with the four hours' of pros-

ecution questioning relegated to sub-

Although Ms. Lewinsky was ques-

tioned in an opulent suite in the hotel

where she was staying, Mr. Jordan's

interview took place in a secure, win-

dowless room in the Capitol building

that is normally used for top-secret in-

of Arkansas, a former federal prosecutor, who earlier described the Clinton friend as "a key player" in White House efforts to find Ms. Lewinsky a job - a central part of the charges of obstruction of justice.

hard to decipher in recent weeks as he Mr. Hutchinson was expected to fohas painted himself as both an economic realist and a left-leaning populist. cus on discrepancies between Mr. Jordan's testimony in five grand jury Two weeks ago he told a group of businessmen that he wanted to install a appearances last year and that of Mr. Clinton and Ms. Lewinsky. system "where market forces truly

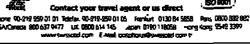
She told the grand jury, for example, that she thought Mr. Jordan had inwork, where the state will be the engine structed her to destroy drafts of notes he met with President Bill Clinton for 20 she had written to Mr. Clinton. Mr. Jordan denied having done so. minutes and pledged his commitment to

Mr. Clinton's lawyers were expected to ask at least a few questions, in an effort to show that Mr. Jordan's efforts to help Ms. Lewinsky were not part of a out, prompting laughter.

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# Venezuela's New Leader Starts by Recasting Oath

By Clifford Krauss New York Times Service

CARACAS — Since his election as president seven weeks ago, "Hurricane Hugo," as Hugo Chavez, is popularly called, has barnstormed Europe, Latin America and the United States sending mixed signals about how he will govern Venezuela.

On Tuesday, he put on the presi-. dential sash at an inauguration that begins what promises to be a presidency of

His right hand in the air, Mr. Chavez broke with the traditional oath.

"I swear in front of my people, that over this moribund constitution, I will push forward the democratic transformations that are necessary so that the new republic will have an adequate Magna Carta for the times," he said.

The 44-year-old former lieutenant colonel has promised a revolution to year. The ship spen swest clean up the government's chronic corruption. He also pledges to break the stranglehold of the two traditional political parties by holding a referendum on the drafting of a new constitution.

But on other matters, like how he will manage the ailing economy, deal with the United States and Cuba and recalibrate the flow of oil exports, analysts say he remains a question mark.

Mr. Chavez has been an international curiosity since he tried unsuccessfully to overthrow an elected civilian government with a military coup in 1992. Afterward he was cashiered from the army and spent two years in jail.

Despite his checkered relations with some in the military, he made the red beret worn by many army units the symbol of his election campaign and proclaimed his admiration for Fidel Castro and the Cuban Revolution.

Since his election he has been wearing well-tailored suits, but Mr. Chavez has basked in his bad-boy image. "I am being compared to Mussolini,

Hitler or even the devil," he told reporters in Paris last month with a characteristic guffaw. "But I am a social fighter and a democrat." Mr. Chavez's globe-trotting was aimed at polishing his image and calming

foreign investors who steadily withdrew

money from Venezuela's stock market

last year in anticipation of his election.

Here and abroad, he told investors that he would not impose exchange controls or default on the national debt. He said he would defend the Venezuelan currency, the bolivar, even though analysts say it is at least 25 percent overvalued. He also promised to slash the government's bureaucracy, strengthen central bank autonomy, raise the sales

tax and encourage foreign investment.
With oil prices at a 12-year low and the government's interest payments on its debt expected to rise to 40 percent of the budget this year, analysts say Mr. Chavez will probably have little room to maneuver if he wishes to avert the kind of currency turbulence now unsettling

the Brazilian economy.
On oil policy, Mr. Chavez's aides have said they would support efforts by the Organization of Petroleum Exporting Countries to raise the price of crude. But they would not commit themselves to a production cut. While campaigning he promised to reverse Venezuela's practice

**Away From Politics** 

• Rescue crews in Dearborn, Michigan,

searched through debris at Ford Motor Co.'s

crippled Rouge complex Tuesday as work began

to restore power after an explosion and fire killed

a worker and halted production. At least 12

workers remained in critical condition with

severe burns from the boiler blast. (Reuters)

• An American Indian awaiting execution in

Florence, Arizona, for murder has been allowed

to undergo a traditional sweat lodge purification

ritual in prison, the first time since the death

penalty was restored in 1976. Darrick Gerlaugh,

who is scheduled to die by injection Wednesday, underwent the purification ceremony Saturday. Five other condemned Indians have requested the ceremony in the last 23 years but were denied

• Prosecutors in Port Angeles, Washington, withdrew a second-degree murder charge against a veteran pediatrician who was accused of blocking a 3-day-old boy's breathing after he was declared brain dead. The decision to drop charges against Dr. Eugene Turner was made just as his trial was to begin.

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## ASIA/PACIFIC

## U.S. Sees India on a Path to Fewer Sanctions and Zero Tests

By Celia W. Dugger

NEW DELHI — American officials say that there is momentum now for a choreographed sequence of steps that will lead to a substantial easing of eco-nomic sanctions imposed on India after its nuclear tests in May, as well as to India's signing of the test ban treaty. probably by midyear.

The Indians were more cautious Monday in their assessment of the outcome of three days of negotiations that ended Sunday, the eighth round of talks since the tests. But both Indian and American diplomats were optimistic about resolving their differences.

Officials from both countries said they also hoped more broadly for an improvement in the prickly, mistrustful relations between the United States and India. An Indian official described the tone of conversations between Deputy Secretary of State Strobe Talbott and

External Affairs Minister Jaswant Singh as "verging on bonhomie."

The United States took a step in this diplomatic tango Monday by inviting ambassadors from the major industrialized democracies and Russia to a luncheon in New Delhi, where Americans broached the resumption of World Bank lending to India for road, power and other development projects. Sanctions have thus far cost India about \$1.2 billion in World Bank loans, bank of-

ficials say.

An Indian official said a decision to allow World Bank lending to resume would be "a small step toward the creation of a positive atmosphere." Another Indian official said there was no explicit agreement that if the United States takes certain specific actions on sanctions, India will sign the test ban treaty. "That's too mechanical a spin,"

While both the Indians and Americans insisted that they have done noth-

eight rounds of talks in eight months, it is clear that each side has certain conditions that must be met before relations improve. India's decision to conduct the underground nuclear tests, which Pakistan immediately followed with its own nuclear tests, brought the relation-

ship to one of its lowest points ever.

The Indian government, run by a seemingly ever-shakier coalition led by the Hindu nationalist Bharatiya Janata Party, needs something concrete it can claim to have gained for signing the Comprehensive Test Ban Treaty by the September deadline for ratification set by a United Nations conference more than two years ago, party leaders have said. The government cannot be seen as giving in to American pressure without opening itself up to attack from the opposition Congress (I) Party.

The government badly needs some victories. The Hindu nationalists were routed in state elections in November, in

vegetables, and they have been under attack from some of their allies in recent days for raising the prices of subsidized rice, wheat, sugar and cooking oil to lower the budget deficit. The government backed down Tuesday on some of the price increases.

In a joint statement issue Sunday. India and the United States said they would "endeavor to create a positive atmosphere for advancing their rela-Indian officials say they will work to build a consensus for signing the test ban treaty when Parliament reconvenes this month.

On Monday, Mr. Talbott visited the Congress Party president, Sonia Gandhi, and has given interviews to Indian journalists in which he stressed his respect for India as a great secular democracy and spoke glowingly of the possibilities of a close relationship be-

tween India and the United States. But Indian officials say the United

ing so crude as horse-trading during large part because of the rising prices of States has taken steps recently that have soured the atmosphere, for instance backing a resumption of World Bank lending to Pakistan but not to India.

#### ■ Pakistan Talks Yield Little

The United States and Pakistan agreed Tuesday to meet again but indicated that an eighth round of talks on nuclear nonproliferation had achieved no firm results, Agence France-Presse reported from Islamabad.
"The two sides considered further

steps to advance the objectives of the dialogue," said a joint statement after talks between Mr. Talbott and Foreign Secretary Shamshad Ahmad.

It said that experts would meet in March-April to discuss "export controls and strategic restraints" and that the next round of the dialogue would be held before the end of June at a date and venue to be decided. Washington is eager for Pakistan to sign the Comprehensive Test Ban Treaty.

Singapore Jails

charged, violates constitutional guar-

belief and conviction remain undimin-ished." he said. "My right to free speech guaranteed in the Singapore Constitution has been violated by an

unconstitutional and undemocratic law

put in place by the ruling regime to deny

out to the people."

Mr. Chee, 36, secretary-general of

the tiny Singapore Democratic Party,

pleaded not guilty to holding a rally

without police permission in the finan-

cial district on Dec. 29 in defiance of the

Public Entertainment Act.

the opposition from effectively reaching

BRIEFLY

### India Reverses Food-Price Rise

NEW DELHI - India's governing Bharatiya Janata Party bowed to pressure from disgruntled coalition partners Tuesday and reversed a rise in subsidized food

grain prices for the poor.
Prime Minister Atal Behari Vajpayee's Hindu-nationalist party, which leads the coalition, also took flak in the meeting of coalition parties over its links with hard-line

The prime minister has stated that insofar as the prices of food grains for those below the poverty line is concerned, it will be with-drawn," said Defense Minister George Fernandes, the convenor of the coalition's coordination committee. The coalition has been racked by discord since it took office after an inconclusive election last March.

## Migrants Must Get Hong Kong Permit

HONG KONG — Hong Kong's top civil servant, Anson Chan. warned Chinese migrants Tuesday that they must get the necessary permit to enter the territory and that they would be deported to the mainland immediately if they did not.

The warning came after Hong Kong's highest court ruled Friday that children born before either of their parents became Hong Kong residents had the right to live here. Mrs. Chan said the government

would set up a task force to assess the impact of the landmark ruling, which effectively opens the territory's door to tens of thousands of people on the mainland. (Renters)

## Burmese Is Freed

RANGOON - The Burmese military government said Tuesday that it had freed an 81-year-old political opponent it had sentenced

Ohn Myint, a member of the National League for Democracy, was freed and pardoned Jan. 20 "out of consideration for his age

ganization and attempting to create misunderstanding between the government and ethnic groups. The league's founder is Daw Aung San

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## Jakarta Goal for East Timor: Autonomy In a surprise move, the Indonesian

government said last week it was ready to pull out of East Timor if no better solution could be found for the former Portuguese colony it annexed in 1976. Indonesia's foreign minister, Ali Alatas. discussed the issue with Robert Kroon of the International Herald Tribune.

Q. You have always referred to East Timor as the "pebble in the Indonesian shoe." Are you now ready to remove that pebble once and for all and accept independence for East Timor?

A. There is some misinterpretation here. Indonesia does not intend to discard East Timor just like that. For the past several weeks, we have been talking at UN headquarters in New York with Portugal about the territory's future, under the auspices of Secretary-

Reuters

Indonesian armed forces, General Wir-

anto, denied Tuesday that the military

had armed pro-Jakarta loyalists in the

territory of East Timor to fight pro-

General Wiranto said. "In fact, local

organizations which helped the armed

forces maintain peace in the past have

But he said local paramilitary units

been abolished and their weapons con-

We have not armed the people,"

independence groups.

JAKARTA —The commander of the

Q & A /Ali Alatas, Foreign Minister

General Kofi Aman. East Timorese inang prison this week and moved to a representatives, both here and abroad, are also being consulted.

What we have in mind is very wideranging autonomy for the territory, and right now we are trying to fill in the details to make this meaningful for all concerned. It involves security matters, the economy, political ramifications and cultural affairs. I'll be back in New York in a few weeks to take stock of

negotiations.
Q. Is the Fretilin leader Xanana Gusmao, who is serving a 20-year sentence in Jakarta for sedition, also taking part? A. Yes, Xanana Gusmao is part of the process. He will be released from Cip-

armed. Tensions in the former Por-

tuguese colony grew after Jakarta said

Clashes between rival Timorese

Several people died last week and at

Hundreds of East Timorese protested

least 50 people have died in the past six

months, aid workers and human rights

in Dili on Tuesday against Indonesia's rule of their homeland and demanded

groups supporting Jakarta and seeking

independence occur almost daily in the

last week it may let the territory go.

construction you have in mind? A. Granting far-reaching autonomy to East Timor would be unprecedented in Indonesian history, but there are

private house.

many examples in other countries. The self-rule status now being proposed for Kosovo is a case in point. Q. Self-rule, wide-ranging or not, still falls short of total independence.

Q. What would be the relationship

between East Timor and Jakarta in the

A. That's right, but it is the best solution. If we cannot agree on an autonomous status with the parties by April, the only alternative may be abandoning East Timor altogether. That doesn't mean we will pack up in anger. We will hand the problem back to the people.

Q. What does that mean? A. Well, by April, Indonesia will move into general elections for the Peoples' Consultative Assembly. East Timor will also elect its representatives, and if they opt for independence, so be it.

Q. Ramos Horta, East Timor's representative-at-large, and Xanana Gusmao have always insisted on a referendum so the people can decide their own future. Is that acceptable to Indonesia now?

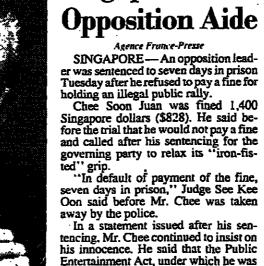
A. No. A referendum is a recipe for civil conflict. Already now there is fighting between pro- and anti-independence factions, and we don't want to be stuck with this problem for another formula for a peaceful solution.



Ali Alatas at a press briefing. Indonesia and Portugal are discussing East Timor's status at the UN.

couple of years. Q. You have long argued that a poor ministate of 800,000 people is not viable. If you dump East Timor, wouldn't you just hand another basket case to the international community?

dumping East Timor, and that's why we think wide-ranging autonomy is by far the most realistic, rational and viable



A. I don't want to go into that now. Anyway, Ramos Horta doesn't agree with that point of view. We are not

#### antees of free speech in Singapore, which has been governed by the People's Action Party for the last 40 "Despite the ruling today in court my

to seven years in jail last year.

and respect for his family," the government said in a statement. He was convicted last April of working with an underground or-

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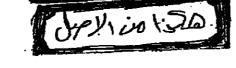
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**EUROPE** 

# At Home and Abroad, the First 100 Days Have Been Trying for Schroeder

By William Drozdiak Washington Post Service

BERLIN — The first 100 days in power have not been kind to Gerhard

many's new leader ended almost the moment he ousted Helmut Kohl from the chancellor's office. After displacing Europe's longest-serving statesman, Mr. Schroeder quickly found himself attacked as a weak and vacillating ruler too prone to promise all things to all

He has struggled with difficulty to

clear energy and tax policy in his uneasy coalition of Social Democrats and

has provoked anxiety at ANALYSIS home and abroad that Europe's most pivotal nation is drifting and disoriented, just when it needs to demonstrate a clear sense of direction after assuming the rotating leadership of the European Union and the Group of 7 major industrial

Schroeder feeling bruised and em-bittered. Yet even his friends complain that he warrants some blame for failing to articulate a strategic vision that reflects his core values about where he wants to guide the country.

German media barons has left Mr.

When asked to review his government's performance, Mr. Schroeder insists that German media have been "brutal and somewhat dishonest" in their assessment of his brief tenure. But he consoles himself with polling results that show a strong majority of the nation's voters — as much as 75 percent in some surveys — supports his government and expresses satisfaction with its work.

"Look, it's impossible to achieve all business leaders in Davos, Switzerland of our goals in the first hundred days; you will have to look back on an entire legislative period after four years to make a fair judgment," Mr. Schroeder observed in a conversation. "But the wave of criticism started within the first

'Of course, mistakes were made, but these were largely procedural flaws that we have tried to correct. We have tried to do too many things too quickly in trying to carry out our promises to the voters. But I have vowed to be more laid

back, both in the pace of our work and our dealings with the press."

When he addressed a forum of world

on Monday, Mr. Schroeder betraved some of his frustrations by taking potshots at his predecessor, whom he referred to as "the fat man."

He bemoaned the economic plight he inherited from Mr. Kohl: a plague of joblessness caused by excessive labor costs, too much state regulation, oner-ous taxes, feeble innovation and an anemic service sector.

For too long things were left to slide," Mr. Schroeder lamented. "Over 16 years, people were accustomed to a particular government in Germany. The known and familiar can be rather soothing, but you can get so used to it that it

becomes soporific. And being half asleep in a world changing at breakneck speed is something we cannot afford."

While aspiring to serve as the model of a new generation of German leadership, Mr. Schroeder and his foreign minister, Joschka Fischer, the Greens leader, have nonetheless stuck close to Mr. Kohl's script. They profess staunch support for the goal of political and economic unity in Europe, while pledging fealty to a strong parmership with the United States.

But in many important ways, Mr. Schroeder's style and manner suggest that an uncomfortable era of adjustment now confronts Germany's neighbors and allies. Conscious of Germany's historical burdens from the Nazi past, Mr. Schroeder has made it clear that he and his government will no longer be so compliant in seeing that legacy dictate

policies.

Mr. Schroeder sees the transfer of the seat of government from Bonn, a small Rhineland town near the Belgian-French border, to Berlin, a sprawling metropolis just 80 kilometers (50 miles) from the Polish border, as a unique break with the past,

He insists that the "Berlin Republic" will reaffirm the democratic founda-tions of modern Germany and fulfill a deep yearning by his generation to be treated like other Europeans — without guilt or shame for pursuing healthy national interests.

To the dismay of his partners, Mr. Schroeder has given notice that Germany will no longer sign blank checks for the cause of European unity. He has demanded a big reduction in Germany's annual contribution to the European Un-

ion budget. And he shocked France and Britain by saying that Germany should not have to pay compensation for breaking nuclear reprocessing contracts, a controversial decision now under review.

This quest for normality extends to breaking old taboos.

Along with Britain and France, Germany has promised to send troops to Kosovo as part of an international peacekeeping contingent if Serbian authorities and ethnic Albanian rebels agree to a political settlement.

It is a step that seemed unthinkable just a few years ago when Germans vowed never again to send soldiers beyond their own borders.

## ■ An Appeal on Wage Dispute

Mr. Schroeder urged employers and unions on Tuesday to find a "reasonable" resolution to a wage dispute that is threatening to undermine a key part of his government's plan to reduce unemployment, Reuters reported. The dispute could lead to a widespread strike.

# The political honeymoon for Ger-

Compromise on Kosovo

Will Be Imposed Quickly

Negotiators Plan to Show They 'Mean Business'

reconcile clashes over immigration, nu-

By Steven Erlanger

New York Times Service

will direct the talks this weekend be-

tween the Serbs and the Albanians over

Kosovo believe that they will have to

impose a quick compromise settlement

on the parties, according to senior West-

Christopher Hill, and Wolfgang Pet-

ritsch, the Austrian ambassador to Bel-

grade and the European Union's special

envoy for Kosovo, will run the talks together with a Russian diplomat, Boris

Mayorski, under the chairmanship of

the French and British foreign minis-

ters, Hubert Vedrine and Robin Cook.

unity on Kosovo thus far of the six-

nation Contact Group on the former

Yugoslavia, which includes Russia,

Serbia's traditional ally. The Contact

Group - United States, Britain, Ger-

many, France and Italy, as well as Rus-

sia — is backed by the influence of the

European Union, the UN Security Council and the military capacity of

NATO, which is providing the iron fist

that will hover over the elegance of the

presidential chateau at Rambouillet,

France, where the talks will take place.

nounced Tuesday that it would attend

the talks. "We are definitely going to

the talks with our proposals, which we

can discuss," said Jakup Krasniqi, the

By Dana Priest

Washington Post Service

WASHINGTON - U.S. and

KLA spokesman in Kosovo.

The Kosovo Liberation Army an-

The idea is to preserve the remarkable

The U.S. ambassador to Macedonia,

em diplomats here.

BELGRADE — The negotiators who

Greens. Even in his own party, he is perceived as a pawn in the ambitions of Oskar Lafontaine, his finance minister and leader of the Social Democrats. The internal discord

The hostile treatment at the hands of

plenary session to state their positions.

the outcome is likely to be," an official

By going to Rambouillet, the antag-

But after a relatively short time, an-

other official said, "a compromise ac-

cord is likely to be presented to the

parties and basically imposed upon

them, with credible threats directed to-

that you mean business and that there is

international resolve behind you, and

that there will be a price to be paid for a

lack of seriousness," the official said. The threat to the Serbs is clear; pu-

nitive air strikes on targets in Serbia that

will be costly for the Yugoslav pres-

You have to get across the message

onists "accept they have to negotiate,

even if compromise is an evasive idea in

the Balkans," the official said.

to proximity talks.

ward both sides.'





But the threat to the Kosovo Liberation Army, should it violate a cease-fire or refuse to compromise, can also be real, the officials said.

American and NATO officials are already working to reduce the flow of arms to the KLA from Albania and are using sophisticated surveillance techniques along the mountainous border. While no one thinks that border can be scaled, the officials have talked with the government of Albania about a more intensive international effort to scrutinize the Tirana airport and the Albanian ports of Vlora and Durres to prevent the smuggling of arms and money.

KLA bank accounts can be closed. ident, Slobodan Milosevic, to replace. the officials said, and their commu-

nications and logistics disrupted. The Albanians also have been told that the current international support and sympathy for them and self-rule could quickly disappear.

The negotiators understand that these talks are "a high-wire act," a senior official said. "But I feel confident because of the resolve of the international community — the United States, the European Union and especially the Russians. This is the single most importance chance to come to an early compromise settlement, even if the conflict won't end in a day."

The principles for a settlement, backed by the Contact Group, are carefully drawn to try to allow both sides to come away feeling that they have gained important successes, the officials said. Under an internationally supervised

and enforced three-year interim agree-ment, the ethnic Albanians will gain effective self-government under newly elected Kosovar authorities, with almost complete independence from the authority of Serbia.

The government of Yugoslavia, headed by Mr. Milosevic, will control foreign, defense, trade, monetary and fiscal policy — but not internal security or the police. Still, Kosovo will not become independent for the period of the agreement and will remain an integral part of Yugoslavia.

#### BRIEFLY

## Russia Stays Its Death Penalty

MOSCOW --- Russia moved a step closer to abolishing the death penalty Tuesday when its top court imposed a moratorium on capital punishment sentences pending the formation of new jury courts.

The Constitutional Court banned judges from issuing

the death sentence and prohibited any further such sentences until a new code is drawn up that will make capital punishment the preserve of jury courts alone. Only nine of Russia's 89 regions currently operate trial by jury.

Interior Minister Sergei Stepashin said late last year that Russia had 800 convicts on death row, kept in a special camp near Vologda in northwestern Russia, and the courts hand out about 150 death sentences each year.

#### France to Review Jews' Claims

PARIS - More than 50 years after World War II, France announced on Tuesday a new authority to allow Jews to claim compensation for assets that were seized during the Nazi occupation of the country and never returned. The decision to set up the body was made by a government committee that for two years has been drawing up the first full inventory ever established in France on the seizure of Jewish assets, art and businesses during the

The Matteoli committee, set up in January 1997 and named after its president, Jean Matteoli, handed in a second working report to Prime Minister Lionel Jospin listing proposals to turn a difficult page of French history. The report said two-thirds of assets seized from Jews in France had been legally claimed but that the restitution of the remainder may prove difficult because of the probable 'total extermination of the relatives of those despoiled."

France has some 600,000 Jews, Europe's biggest Jewish community, and in 1995 President Jacques Chirac became the first French postwar head of state to recognize the responsibility of the French state in the wartime persecution of Jews.

## Yeltsin Turns Up at the Kremlin

from a stomach ulcer at a country sanatorium, unexpectedly turned up at his Kremlin office Tuesday in an apparent effort to show that he was still in charge.

A Kremlin spokesman said that Mr. Yeltsin, who turned 68 Monday, met with his chief of staff, Nikolai Bordyuzha, in the Kremlin but gave no further details.

Mr. Yeltsin, who had been hospitalized since Jan. 17. left for the Barvikha sanatorium just outside Moscow on Saturday for a rehabilitation period expected to last at least two weeks.

## Pinochet Lawyers Wrap Up Case

LONDON — Lawyers for the Chilean government concluded their case in Britain's highest court Tuesday, saying that General Augusto Pinochet should be freed and sent home even though Chile had not requested his

A formal extradition request is irrelevant because the former Chilean dictator "is not a fugitive," Lawrence Collins, a lawyer, told the House of Lords. "He plainly wants to go to Chile," Mr. Collins added.

The general, 83, was arrested Oct. 16 in London at the request of a Spanish magistrate seeking his extradition on charges of murder, torture and hostage-taking involving acts allegedly committed against Spanish citizens in Chile. The hearing, which entered its 11th day Tuesday, is expected to wrap up Wednesday, after which the Law Lords are expected to reserve judgment.

#### top civil servant. Anson Chan warned Chinese migrants Tuesday that they must get the necessary permit to enter the territory and that they would be deported to the mainiand immediately if they did not The warning came after Hone

Kong's highest court ruled Friday that children born before either of their parents became Hong Kong residents had the right to live here Mrs. Chan said the government would set up a task force in a see

India Reverses Food-Price Rise

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Prime Minister And Beham Val.

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groups.
The prime minister has slated to

that insofar as the prices of food grains for those below the poven

grants for these vertex the poventine is concerned, it will be with drawn, " said Detense Minister George Fernandes, the convenor of

the coalition's coordination com-

mittee. The couldnot has been

racked by discord since it look of

fice after an inconclusive election

Migrants Must Get

Hong Kong Permit

HONG KONG - Hong Kong

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#### **Burmese** Is Freed

RANGOON -- The Burnese military government said Tuesda in seven years in jail last year

National League for Democracy was freed and pardened Im 300 font of consideration for his agand respect for his tannily," the

that it had beest an Steven of political apponent it had sentence: Ohn Myint, a member of the

government said in a statement He was convicted last Apid of working with an underground or ganization and attempting to deale misunderstanding between the government and others proups The

league's founder is Daw Aung Su Sun Kyrisan (Renta)

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SOBICH.

European officials have begun detailed discussions on the tasks, size and shape of a NATO peacekeeping cussion. mission to Kosovo, signaling an in-creasing likelihood that American troops are bound for the embattled

Balkan region. Secretary of State Madeleine Albright was on Capitol Hill on Monday to assess congressional support mand Europe Rapid Reaction Corps. for sending American troops to That group is commanded by Lieu-Kosovo, and U.S. officials reiterated that President Bill Clinton had made no final decision on the issue. But in the meantime, officials involved in the discussions said U.S..

ethnic Albanian rebels.

keep the U.S. role small, a few thou- hostile environment. Pentagon of- Russia and Nordic countries are ex- about the willingness of the world's sand troops at the most. But the main European plan calls for an American presence of at least 5,000 and possibly thousands more, according to officials with knowledge of the dis-

Under "Option A-minus," a plan devised by the North Atlantic Treaty Organization in October and now revived, the on-the-ground commander of a 28,000-strong force in Kosovo would be from NATO's Allied Comtenant General Sir Michael Jackson of Britain, according to a senior Western military official.

General Wesley Clark of the U.S. Army, the supreme commander of British and NATO planners were allied forces in Europe, would remain in ultimate control of the opalready trading plans for enforcing a peace settlement - including par- eration. But under current planning, ticipation by U.S. troops - if one is the deployment nonetheless would accepted by Serbia and Kosovo's mark the first time U.S. troops had worked for a non-American ground

ficials have said they would be willing to trade the command position to get their numbers low because they believe their troops have too many commitments overseas and that Congress may balk at a larger force.

U.S. and Allies Seek to Shape a Kosovo Peacekeeping Force

Defense Secretary William Cohen said, "My personal view is that our European allies must bear a sub-. stantial burden in terms of dealing with Kosovo and that any participation by the United States should be as small as it could be."

The Rapid Reaction Corps, with about 1,300 personnel, is a headquarters unit that would be responsible for commanding and coordinating ground troops stationed in Kosovo, the province in southern Serbia whose population is 90 per-

Britain has pledged 8,000 soldiers to the Kosovo mission, France as many as 6,000 and Germany about 3,000, according to European Pentagon officers have sought to commander in such a potentially and U.S. sources. The Netherlands, Slobodan Milosevic of Yugoslavia

cent ethnic Albanian.

pected to provide 1,000 each, and the prospective new NATO members Poland, Hungary and the Czech Republic have said they also will contribute, eager to show they can work as full-fledged NATO mem-

Under "Option Kosovo would be divided into four sectors, each with a brigade and one or two battalion-sized units of about 6,000 troops. British, French and U.S. troops would each control one sector, as would another country.

U.S. officials are telling planners they want to keep their force to about 2,000, a number that would allow the United States to provide key support activities such as intelligence, logistics and night helicopter operations.

But European officials and others, seeking a larger U.S. contri- forces to leave and for NATO troops bution, say a full U.S. presence to disarm the rebels. But this is rewould be a direct signal to President

#### ton's administration to commit a larger number of troops for the initial and most problematic phase of the deployment. The need for troops could also be affected by a decision on two com-

only superpower to see Kosovo pac-

As a fallback, the Europeans are

trying to put pressure on Mr. Clin-

peting views of the overall NATO One idea calls for some Serb military presence to remain in Kosovo

while ethnic Albanian rebels were trained to become a local police force. NATO troops would supervise the withdrawal of most Serb troops and enforce restrictions on those who remained. The other view, which could entail a much smaller force, calls for all Serb garded as less acceptable to Mr. Milosevic.

## **BLAIR:** A Few Critics Dare to Boo the Showman

to move regional power out of the Parliament in London to newly created legislatures in Edinburgh, Cardiff and Belfast; reforming the House of Lords; setting a minimum wage; starting a welfare-to-work program; granting independence to the Bank of England in setting interest rates, and establishing Britain as a more positive presence in Europe while maintaining strong ties to the United States.

effective opposition from the Conservatives and only rumblings of discontent from dissidents in his party, Mr. Blair has remarkable freedom of action, and his presidential-style presence has become the most important factor in New Labour's performance.

Mandelson - of the kind that contributed to the overwhelming rejection of his predecessor, John Major, in the 1997 election.

fractions Labour Party, and recent polls indicate that even the Tory rank and file prefer him to their own leader, William Hague. Although Mr. Blair heads the country that Europeans most love to loathe for its reluctance to join in their grand ventures, like monetary union, he often comes first even on the Continent in polls measuring the popularity of individual leaders.

He has gained favorable international notice for a theory about the divisions between individual and state responsibilities called the Third Way. It seems to maintain a following chiefly because he is the one peddling it.

At home, his government's purpose, Mr. Blair said in a recent policy speech, is to serve new, larger, more meritocratic middle which now displays "greater tolerance of difference, ambition to succeed, greater opportunities to earn a decent living. He put the Labour Party through a force-fed

reformation in the 1990s, aimed at shedding the socialist ideology, tax and spending habits and tribal in-fighting that had scared off middleclass voters in past elections and given the Tories their dominance of British politics.

Outwardly, Mr. Blair has a glad-handing appeal. He is a shirt-sleeves boss, trading jocular banter with his aides in his back office at No. 10 Downing Street. But he is said to be steely when it comes to internal discipline. During the push to transform the party, insiders called his methods "Stalinist."

"The odd thing about him is that no one thinks of him as Machiavellian," said Robert Harris, the novelist, who is a fan of the government. "I suppose that is what is so Ma-chiavellian about him." With an information-management policy

keeping government spokesmen resolutely "on message," Mr. Blair holds to simple definitions and repeated slogans. One of his favorites is that he is not just running a goverument but heading up a "'project." Projects need more than five years to fulfill, he

and his ministers stress, and it is an article of faith among the Blairites that this government must overcome the curse of Labour's nearly 100-yearold history of never having run Britain for two successive full five-year terms. The week after Labour's rout of the Tories on May 1, 1997, members of the new government were talking about the urgency of winning the next election.

areas of cooperation with the Liberal Democrats, Britain's third party, and end century-old divisions on Britain's left between the Labour and Liberal traditions.

Mr. Blair with Prime Minister Wim Kok

of the Netherlands in Bristol, England, on Tuesday. They were discussing closer ties.

Blair government for being overly cautious and vague, more eager not to disaffect than to engage and lead. To a certain extent, New Labour's success can be measured by what has not happened as much as by what has. "This is the first unfrightening Labour ad-

ministration," said Anthony King, professor of government at Essex University. Past Labour governments are notorious in Britons' memories for economic mismanagement, convulsive social clashes and raucous internal wrangling. A main reason for the Blair government's success so far, Mr. King said, is "its conspicuous failure" to do the wrong thing.

Most of the criticisms directed at Mr. Blair have been accusations of lapses in style -- that he is a "control freak," that he is surrounded by 'cronies," that he is creating a "nanny state." His foreign secretary, Robin Cook, was portrayed recently as a womanizer and a heavy drinker in a vengeful book by the wife he left for a younger woman in 1997, and newspapers have also raised questions about the number of homosexuals in the government.

## Dutch Lawmakers **Approve Measure** Lifting Brothel Ban

THE HAGUE - Dutch deputies voted overwhelmingly Tuesday in favor of a bill to overturn an 87-year-old law outlawing brothels, thus paving the way for bordellos to be classified as legal businesses from next year. In proposing the bill, the government

hopes to flush out the criminal aspects often linked to prostitution, such as drugs, weapons and the smuggling of people, especially women.

year by Winnie Sordrager of the leftist Labor Party when she was justice minister and taken over by her successor, Benk Korthals, of the liberal VVD

tian-Democrat CDA party, with 28 deputies and the three small Christian parties, SGP, RPF and GPV, which together hold eight seats, voted against

similar proposals twice in the last 10 If approved, the law would go into

The bill increases sentences in cases

Clients also will be open to prosecution when hiring the services of a minor. Under the current law only



# Agence France-Presse

MOSCOW - President Boris Yeltsin, convalescing The proposed law was launched last

In the 150-seat second, or lower, chamber, only the opposition Chris-

The final tally of votes will be announced in two weeks. But the bill will become law only if the 75 members of the first, or upper, chamber approve the text. The first chamber has rejected

effect on Jan. 1, 2000.

of forced prostitution and sex with minors from one year to six years of imprisonment

pimps can be charged.

Continued from Page 1

eace settlement in Northern Ireland; decisions With a 179-seat majority in Parliament, in-

As focus groups and opinion research become a growing force in Britain, political muscle is increasingly measured with the tape that shows the public popularity numbers. By this standard, Mr. Blair is an outstanding success: His approval ratings are persisting in mid-60s percentiles, the highest ever for a British prime minister and 15 points higher than the ratings for his government. This is occurring in spite of cabinet scandals and disarray - including the resignation of his chief ally, Peter

He has the support of 87 percent of the

The extent of the ambitiousness of the political project is seen in Mr. Blair's efforts to find

> Labour's preoccupation with becoming consistently electable has led critics to fault the

## **Mysterious Prosperity**

cent in the final quarter of 1998. It grew by nearly 4 percent during the year. the same as in 1997 and nearly twice the rate predicted by most economists. At the same time, inflation remained. negligible. In economic terms, it doesn't get much better. In fact, in most of the world right now things are a lot worse.

Unfortunately, no one knows for sure why the U.S. economy has proved so resilient. Certainly, smart policy decisions have played a part. President Bill Clinton and Congress agreed early in his presidency to reduce the deficit. That seems to have had the intended effect of bolstering investor confidence, reducing interest rates and inflation and promoting private-sector growth. Deregulation and an open trading system have contributed. The Federal Reserve has contributed, too, with cautious but well-timed reductions in the interest rates it sets. On top of that, luck, especially in low prices for oil and other key economic ingredients, and a mixture of new technology, labor productivity and capital efficiency no doubt play a part.

But there are dangers. One is that Fed Chairman Alan Greenspan was correct, but premature, when he

The American economy grew at an astounding annual rate of 5.6 per-remain an "oasis of prosperity" while remain an "oasis of prosperity" while so many other countries are suffering. Many Asian economies contracted last year. Japan remains sunk in recession China's condition is fragile, and Brazil is reeling. There are likely to be some limits on America's ability to act as importer of last resort while its export markets are ailing. Political pressures for protectionist policies will come.

It is also possible that Mr. Green-span was right, but even more premature, when he warned of "irrational exuberance" in the stock market. To be fair, he also has found some rational basis for rising stock prices, including "the dramatic fall in inflation expectations and associated risk premiums, and broad advances in a wide variety of technologies," as he told Congress last month. But no one can rule out a sharp drop in stock prices, which could drag down the "real" economy.

The salient point here is that no one can be sure. If the experts understood what was going on, after all, they would have predicted 4 percent growth a year ago. It is worth keeping this uncertainty in mind when you read projections of federal budget surpluses swelling year by year as far as the eye

-THE WASHINGTON POST.

## **AIDS and Chimpanzees**

Scientists have believed for some time that HIV-1, the AIDS virus that has infected 30 million humans around the world, originated in a primate species somewhere in Africa. Now a team of researchers led by Dr. Beatrice Hahn from the University of Alabama has confirmed that the source of HIV-I is almost certainly a subspecies of chimpanzee called Pan troglodytes

troglodytes.
This Central African subspecies carries a simian version of HIV-1, which was probably transmitted to humans who butchered hunted chimpanzees or handled their meat. Chimpanzees carry the simian version, called SIVcpz, without falling ill. It may be possible to discover in their adaptation to this virus a means of blocking the further spread of HIV-1.

The story of this discovery has a corollary. Pan troglodytes troglodytes is still being hunted, and with a rapacity that will guarantee its extinction before long. Chimpanzee meat, gathered by commercial hunters, feeds loggers in Central Africa and even makes its way into urban restaurants. The issue is not just the danger of further cross-species trans-

mission of the retrovirus, tragic as that would be, it is the destruction of a vital genetic reservoir — the potential source of major innovations in AIDS research - before research can

really get under way.

Before the significance of this new discovery can be assessed, it has to be studied among populations of free-liv-ing chimpanzees belonging to this subspecies. That will not be possible if they have been hunted to extinction.

There could be no clearer demonstration of the immediate human value of preserving biodiversity. The health of our species depends directly on the breadth of the global genetic pool to which we belong.

The cure for disease, as scientists have often demonstrated, can come from the same source as the disease itself. But, as always, recognizing the human value of biodiversity --- the utility of these chimpanzees to us carries with it a sense of profound sadness, an awareness of how hard it is to value biodiversity for itself. There is still a chance to save these animals, and with luck this new discovery will make their survival more likely.

## Starr Is Out of Order

House managers' attempt to call a parade of unnecessary witnesses. Now we have an apparent effort from the office of Kenneth Starr, the independent counsel, to spark a debate over criminal prosecution of the president at a time when the Senate deserves a calm decision-making atmosphere and an open field for negotiation.

Mr. Starr is already regarded by his critics as an obsessive personality. Now he seems determined to write himself into the history books as a narcissistic legal crank.

Once the Senate started the second presidential impeachment trial in American history, that was his cue not only to shut up but to stop any activity by his office that would direct attention away from the Senate or reduce its bargaining room.

The issue of who leaked news of Mr. Starr's indictment research to The New York Times is a phony one. What is needed here is not an investigation of journalistic sources, but attention to the substance of his legal mischief. It seems designed to disrupt these solemn deliberations into presidential misconduct of a serious if undeniably sordid kind.

The news article highlighted an underlying problem. Mr. Starr keeps flapping around - with deliberations over indictments and by meddling in the House managers' contacts with Monica Lewinsky — in ways that complicate Senate work that is more important than he is. The Senate should rebuke him and also appeal to the federal judges who supervise him to restrain him from further dis-

The most surprising aspect of the Senate impeachment trial is the persistent challenges to the senators' constitutional right to run it. First came the constitution clearly allows the indictment and prosecution of officials who have been impeached by the House and removed from office by the Senate. But whether such a trial should go forward in this case is a complex constitutional and civic question that needs to be shaped by the wisdom of the Senate rather than by Mr. Starr's personal inclinations and his idea of prosecutorial duty. If the three witnesses being deposed this week do not dramatically change the evidence, then the Senate is clearly the right place to make the final disposition of President

Bill Clinton's case. For Mr. Starr's office to be talking about a trial inhibits the Senate's freedom to draft a censure resolution that might include some kind of presidential admission. Indeed, virtually everyone in the capital except Mr. Start seems to know that censure-plus-admission, speedily arrived at, would be a far better outcome for the country than a trial for either a sitting or a former president.

To be sure, if the charges were of greater criminal magnitude or threatened orderly government, such a trial could be fitting and constitutional once a president was removed. While removal is not appropriate in this case, the Senate is clearly the appropriate venue for condemning and finding a proportional punishment to offenses like those committed by Mr. Clinton. The Senate, which is always talking about its potent collective probity, needs to find a way to slap Mr. Starr back into line.

-THE NEW YORK TIMES

## Herald Eribune

KATHARINE GRAHAM. ARTHUR OCHS SULZBERGER

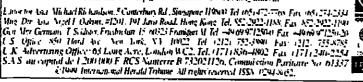
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# Left Behind as the Globalization Train Speeds Up

DAVOS, Switzerland - U.S. Treasury Secretary Lawrence Summers joked the other day that he had a new idea for solving the problem of Brazil's collapsing currency. He suggested that the Brazilians rename their currency "real.com." Judging from U.S. stock markets, it would double in value every 90 days.

Mr. Summers's joke, though, actually captured the most interesting aspect of this year's Davos World Economic Forum.

Every year at Davos someone stands out as the trend-setter. This year the stars were invisible: One was Amazon.com and the others were the leaders from so many developing countries who used to come here regularly but this year didn't show. And therein lies a story.

Every panel discussion here on the Internet economy was sold out, and the panel where experts discussed whether the Internet stocks were "a bubble" about to burst was standing room only. The Princeton University economist Alan Blinder kicked off that discussion by observing that there was probably some bubble quality to the Internet stock craze, or, as he put it: "I have a the other invisible party — the leaders of others to help them.

By Thomas L. Friedman

general rule: Whenever something becomes worth more than the whole state of California, sell it.

Interestingly, though, the person who poured the coldest water on the Internet mania was Microsoft's chairman, Bill Gates, who said, "I find the valuations of high-tech stocks in general surprisingly high." He argued that the high-tech business today is so intense, and companies can be overtaken by competition from so many different directions, that making any assumptions about the future earnings of any high-tech company, particularly one on the Wild West Internet, is very risky.

But people are missing the most im-portant point about the Internet stock boom, said Mr. Gates. Whether or not it is a bubble, it is attracting enormous amounts of new venture capital to every imaginable Internet-related company, and this influx of cash is going to drive "the pace of Internet innovation even faster.

For the global business leaders here. nothing could be more exciting. But for tional level. God help those who expect. That is not an easy train to catch.

There was a time when the head of land or Mexico would not want to miss Dayos and the chance to show off for the big multinationals. It was almost as if by

simply coming here you were auto-matically part of the global economy. But in the wake of the meltdowns in Mexico, Russia, Southeast Asia and Brazil in recent years, a new sobriety is taking hold in many of these emerging markets. Their leaders are coming to realize that the answers to their problems are not here. They are at home.

They are starting to realize that it makes no sense to come to Davos and show off your country if you do not have a financial, legal and regulatory structure able to handle the electronic herd of global investors. And the only way to get that structure is to build it yourself from the ground up.
"You cannot wait for Godot," re-

marked Noordin Sopiee, one of Malay-sia's leading strategic thinkers. "We have to solve our problems at the na-

developing countries — nothing could be more depressing than the thought that be more depressing than the thought that concurred: "O.K.," he said to me. "I concurred: "O.K.," he said to me. "I understand we need to get prepared for state of a developing country like Thai- this globalization and that is partly our responsibility. There is a train that is leaving and we should have known this and done our homework. But now you should slow the train a bit and give us a

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chance to jump on. And that is what is scary about this year's Davos: Just when the developing world is coming to really grasp that it has no choice but to get itself ready to climb aboard this train, Bill Gates is predicting that the train is going to get faster, not slower, as the developing world moves toward In-ternet-based commerce, communication and learning systems.

What is worse, no one can slow the train down, because the world economy today is just like that Internet: Everybody is connected but nobody is in charge. As the Deutsche Bank economist Ken Courtis observed: "The developing world has decided to catch the train just as it's being dematerialized and turned into a virtual experience."

## The Deregulation Orthodoxy Has Faded, but What Comes Next?

 $D_{ ext{The World Economic}}^{ ext{AVOS. Switzerland}}$ Forum provides a reliable annual guide to what is on the mind of the industrial world's political and corporate managers and its more prominent economic thinkers and publi-cists. Or perhaps it provides a guide to what they think they ought to be thinking about.

which is interesting in itself. Before 1998 the overall themes were triumphal: celebrating a benevolent economic dynamism which was being extended globally, incorporating the developing world and enriching the whole, reinforcing and consolidating all this with the passing years.

That went on until last year, when the thunderclouds that had been building up in the lowed economic collapse.

eastern sky broke into a storm which swept through developing Asia, and the skies still have not cleared - particu-larly those over indonesia, where political crisis has fol-

campaign of 2000. This year the Davos organ-

By William Pfaff

izers prepared to debate reform trade liberalization has passed of the system, but little of substance has emerged. Assorted eminences preferred to debate "what will keep the world economic engine going. to quote one session's title.

Nonetheless, the talk that has taken place on the destructive effects of deregulation and free markets, possible new regulatory structures for the international economy, the history of financial bubbles, and the ethical responsibility of business has expressed a salutary change in the mood of 'Davos Man.'

The roots of the change are diverse. It is significant that despite President Bill Clinton's call for new trade liberalization and fast-track negotiating au-thority in his State of the Union message last month, no one in Washington expects such leg-islation. Globalized trade will be an issue in the presidential

By Roy Denman

that accepting external eco-nomic disciplines will actually. its peak. Corporations have been the force behind it, but the public. like that in Western Europe, has been apprehensive ary, if not subversive. An important change in the about where it was taking the

ical of globalism, are more influential now than in 20 years. The new Washington-based Overseas Development Council (whose chairman is the former head of GATT, Peter Sutherland, now of Goldman Sachs), has produced critical works on globalism and has a new study arguing for increased government influence

over the internationalization of developing economies.

The author, Dani Rodrik of Harvard, argues that develop-ing nations should not sign globalizing international agreements without participation and agreement by broad social groups within their countries. e an issue in the presidential and says there should be solid evidence — not ideological inAmerican enthusiasm for cantations — to demonstrate and fiscal policies of the 11 and says there should be solid

be good for a country. A couple years ago Davos Man would have considered that reaction-

past year was that left-of-center governments came to country. U.S. labor unions. critpower in Germany and Italy. joining socialist France and Britain. Except in Britain. these governments take a more critical view than before of social and institutional deregulation of society.

Europeans blocked the multilateral investment agreement being drafted last year at the OECD, which would have authorized corporations to sue governments for imposing environmental, cultural or national restrictions on foreign investment. The OECD's own Forum for the Future is raising questions about the existing system that would have been considered unorthodox a year

rency countries promise in the next few years to provide a new economic and trade model. A challenge to the American economic model is taking form.

The crisis provoked by unregulated investment and speculative flows, the plight of Russia, victim of an unsuitable Western model for development, and the inadequacies of IMF remedies for both have decisively weakened the orthodoxy, but it is also a crucial development that the globalist model of the future simply is no longer as interesting as it was.

It was presented as a kind of panacea for the world economy. Now its limitations, and the destructive consequences it can have, are clear - and, anyway, the world has changed, This is what is seriously interesting today, and if most of the corporate leaders don't yet understand the change, the academic and political elites present in Davos do.

International Herald Ir dione. Los Angeles Limes Syndicate

## Cheese-Rich 'Euroland' Will Get a Treasury Secretary

ONDON - Charles de ∠Gaulle wondered how you

the euro. After its successful who was chairing Euroland. launch, it ranks with the dollar The European Central Bank as one of the two leading world would be allowed to be present der in the financial heavens it is pean Commission to assist. important that there should be Will the treasury secretary for door in a rising gale.

Europe please stand up? 'Euroland' has even more cheeses than France. It also has Before it came the common finance ministers.

Council in Vienna in December trade negotiations of the last 40 recognized that "speaking with years the European team had one voice" for the euro was suddenly downed tools at midimportant. But then it decided night. "Sorry folks, union on a three-cornered represent- rules, you know. Got to hand ation. First would come the you over for the next few

ONDON — The debate about whether to deploy

missile defenses is shaping up

as one of the most contentious

strategic issues of the next de-

cade. The main theater of the

First, there is a proposal to

deploy theater missile de-fenses to protect U.S. forces in

Asia. This would have to in-

clude Japan and South Korea, and probably also Taiwan.

Second is the Clinton ad-

ministration's plan, disclosed

last month, to spend \$4 billion

researching and testing a na-

tional missile defense pro-

gram over the next six years; 56.6 billion is to be set aside

for possible future construc-

tion of the system. North Ko-

rea's missile test last August

showed that it was making

faster progress than expected

in developing missiles capa-

ble of attacking not just Japan

duplicity surrounds the real

rationale for missile defenses

against threats that are more

limited than that posed by the

former Soviet Union. The

United States does not want to

alarm China by overt talk of

systems that could neutralize

Chinese nuclear missiles, but

Beijing understands that most

of the discussion of a North

Korean threat is really con-

Chinese officials react vehe-

mently to any talk of American

cerned with China.

An element of diplomatic

but U.S. territory as well.

debate will be Asia...

currencies. When there is thun- as an observer, and the Euro-This arrangement is about as one voice speaking for the euro. likely to last as a shaky barn

The euro is only the latest step toward a unified Europe. external tariff. Imagine that in The meeting of the European the heat of one of the world

Yes, U.S. Missile Defense for Asia

By Gerald Segal

will not let Beijing have a veto on defining what is in the U.S.

strategic interest. Japan's will-

ingness to begin serious ex-

ploration of theater defenses

shows that it is getting fed up

with China trying to dictate the future shape of Asian security. Beijing has only itself to

blame for moves by the United

States and its Asian friends to

develop missile defenses.

China has been conspicuously

unhelpful in restraining North

Korea because it has cockily

assumed that the United States

would have to keep compro-

mising with Beijing on stra-

tegic issues for fear of making

matters even worse on the

China's failure to be trans-

parent about its own defense

buildup and its unwillingness

to open a trilateral govern-ment-to-government dialogue-

with the United States and Ja-

pan on Asian security have

increased long-term worries

about what seems to be a

Chinese strategy of playing for

time while it grows stronger.

indicated a willingness to talk

tional missile defenses and the

Anti-Ballistic Missile Treaty

suggests that Beijing may be

realizing that it has pushed its

missile defenses. Washington about whether missile defenses ternational Herald Tribunc.

to the United States about na-

The fact that China has now

Korean Peninsula.

would have been destroyed. So Europe has had to speak with one voice on trade. How it achieved this shows what might

happen with the euro. The Treaty of Rome provided that on trade the commission would negotiate for the Six. The real reason for this was that France then ruled the roost. Germany was still emerging from the shadow of Hitler. Italy was remote beyond the Alps, and the small countries were small countries. The commission would do unchallenged

France's bidding. Had this not been the case. the treaty would have been

will be effective or too costly.

But there is little reason for the

United States not to proceed

with serious research and even

early development of anti-mis-

sile systems. U.S. allies in Asia

should welcome these efforts if

only because they make it

more likely that the United

States will stay to defend its

friends in the region.
In Europe, U.S. allies are

prepared to sustain and modemize NATO; a NATO sum-

mit in April is to ratify a new

strategic concept. In Asia, the

United States has to act much

more on its own. If it is ex-

pected to stay in Asia, it will

have to find ways to defend its

homeland from Asian ad-

If Washington heeded Bei-

ing's demands that it not

build an anti-missile shield, it

would be more likely to with-

draw U.S. forces from Asia

and end its key role in main-

taining the balance of power

ous that an American depar-

ture is what China wants. So

allies and friends in Asia

should help the Americans to

develop effective protection

The writer is director of

Britain's Pacific Asia Pro-

gram and director of studies at

the International Institute for

Strategic Studies. He contrib-

It seems increasingly obvi-

in fragile region.

from missiles.

There is much uncertainty uted this comment to the In-

versaries.

drafted quite differently. It wiser. He rang up Paris and

gotiating for the British with the six member states of the EEC in Geneva. I lunched regularly with the German delegate. One day he arrived with an air of excitement. "Something mo-mentous has happened," he ex-claimed. "The commission has disagreed with the French!"

The commission had made its first bid for authority. But it still took time. The trade ministers of member states were reluctant to hand over authority to what they con-

sidered a bunch of bureaucrats. A few years later, the Six embarked on a further trade negotiation. When the senior commission negotiator called on the American delegation, the French and German delegates insisted on accompanying him. To the Americans he seemed under close arrest.

At the end of that negotiation, the Kennedy Round. Jean Rey, the European commissioner responsible, found that he would be able to strike a deal, but only beyond the manhad given him. There was no time to get them together again, for American legislative authority was fast running out. He had to act on his own.

would have provided for the spoke to President de Gaulle's got unison from a France with finance minister of the country 246 types of cheese. Only leadership of a star-studded kind could perhasis achieve it.

The question poses itself for accompany the finance minister. Maurice of slowly developing the relation of trust and confidence essential to the commission.

The question poses itself for the country months to Jean-Pierre or member state in the chair to foreign minister. Maurice conduct the negotiation, addeveloping the relation of trust and confidence essential to the commission.

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The question poses itself for its foreign minister. Maurice conduct the negotiation and confidence essential to the commission.

The question poses itself for accompany the finance minister of the country were outside Euro-land, its finance minister. Maurice conduct the negotiation, additional position is the conduct the negotiation and confidence essential to the commission.

The provided kind to the chair to foreign minister. Maurice conduct the negotiation and confidence essential to the negotiation and confidence essential to the negotiation.

The provided kind the chair to foreign minister. Maurice conduct the negotiation and confidence essential to the negotiation and confidence essential to the negotiation. climbing a mountain to consult God and receiving a thunderbolt. He withdrew the question and went ahead on his own.

It worked. The ministers of the Six backed him. The commission had won its spurs as the trade negotiator for Europe.

Much the same will happen with economic and monetary affairs. It will take longer, because if trade ministers thought they were important, finance ministers think they are divinity. They will still have to be consulted before Euroland speaks with one voice, as will the European Central Bank.

But the present intended kaleidoscope of politicians representing Euroland will have to be replaced by one voice. And the member of the commission with the economic and financial portfolio will end up as the European treasury secretary. Member states will begin to take this into account in the weight of the candidates they put forward for appointment as commissioners. History is date that the ministers of the Six made not by rules but by persons who shape the rules.

The writer, a former representative of the European Commission in Washington, contributed this comment to the

## He rang up Bonn; a state contributed this comment to the secretary left him none the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

#### 1899: Female Dignity

PARIS - A despatch gives an account of a curious movement in Illinois. It states that "prominent women throughout the State are organizing a crusade against the use of the female form in illustrations for advertising purposes, and a bill will be introduced in the Legislature prohibiting it." Gertrude Wallace, president of the federated women's clubs, said: "The mothers of civilized, enlightened America believe that the indiscriminate use of woman's face HAMBURG - A campaign to as an advertising medium nor only lowers the standard of her womanhood in dignity, but de-praves the high ideal for which she was created.

1924: Press Dean Dies

PARIS — [The Herald says in an Editorial:] France has lost another of its venerable pub-licists in the death of M. Arthur save our culture.

Meyer, after eighty years of vigorous life, a great part of which & was passed as the director of LcGaulois, one of the most important of European journals. Dean of the French Press, a witness of the great events in French national life since the Second Empire, he was to his last hours as courteous in polemical advocacy of his personal views on public affairs as he was frank, luminous and incisive,

#### 1949: Brief Marriages

allow surplus German women to take temporary husbands so that they may bear children is being waged by a schoolteacher. The schoolteacher pointed out that 7,000,000 German 🕌 women have no hope of getting husbands. Therefore they should be allowed to marry temporarily for a specified period so as to bear children "to

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## AND 50 YEARS

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1949: Brief Varris HAMBURG - Acad

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#### OPINION/LETTERS

## After His Little Big Horn, Gingrich Ponders Lessons of a Lost Battle

**By Richard Cohen** 

DAVOS, Switzerland — Newt Gingrich thinks of war. Battles of old trip off his tongue: Montgomery winning in North Africa, Napoleon retreating from Russia. The one he did not mention probably most approximates what Bill Clinton did to him: Custer at Little Big Horn.
"Frankly," he said here the other day, "I still don't know what happened."

It has been a year since Mr. Gingrich last appeared at the World Economic Forum that, in his case, chased him here in this Alpine town. Back then, the world was different The Monica Lewinsky scandal had just broken and from this mountain Mr. Gingrich could behold a president who was on the ropes, finished — a fighter who had already taken the punch that, in a round or two, would put him on the canvas. Mr. Clinton, it seemed, was history - and Mr. Gingrich, clearly, the future itself.

Mr. Gingrich was not alone in such thinking Last year, you could circulate through this conference and find nary an American politician, Democrat or Republican, who did not think Mr. Clinton White House adopt-

Clinton was finished. Things did not turn out that way, of course. Now it is yer. The guilt or innocence Mr. Gingrich who is out of office with his party fighting to regain its balance and figure out what went wrong. It just as O. J. Simpson's legal

ident had an extramarital af- Police Department the issue. fair, lied about it under oath. There is something to this and to the American people, analysis. Both Mr. Simpson yet it is the Republican Party and Mr. Clinton, in their own that is reeling.

Modesty ill becomes Mr.

Gingrich and yet it was a modest man who wandered into this conference. He says he misunderstood the 1998 election. His mind is still processing the data, the meaning of Jesse Ventura's victory in Minnesota, for instance that, in his case, chased him out of electoral politics. (He knows, though, that at 55 he is the same age Ronald Reagan was when he became governor of California.)

Mr. Gingrich has some tentative theories. One is that Mr. Clinton is a latter-day Warren Harding, a president presiding over a booming economy. Prosperity forgives all sins

Another is that the Republicans failed to advance any program other than the notion that Mr. Clinton was a skunk. This, to say the least, is not exactly a pledge to save Social Security." Mr. Gingrich also thinks that the ed the tactics of an aggressive and unethical trial lawof the client is immaterial.

The Clinton White House made Ken Starr the villain is almost laughable; the pres- team made the Los Angeles can we move on please?

ways, are the beneficiaries of inry nullification.

Repeatedly though, Mr. Gingrich said the history of the last year had yet to be written. Only in retrospect will matters become clear, or at least clearer. This is where he mentions wars and battles. This is where, in an ironic way, he is on to something. The relevant incident,

however, is not one of Mr. Gingrich's famous battles. but Watergate. If generals fight the last war, then politicians fight the last scandal. For the Republicans, Watergate was the siren that lured the party to mistake

after mistake. In the Clinton scandal, it expected revelation after revelation to unfold as Watergate did. Yet, a year ago we knew pretty much what we know now. No gun has smoked; the crime was lust. Watergate stewed for quite some time before the

many Republicans thought, it would be the same with the Clinton scandal. The public would slowly stir itself. Its indignation would soar, turn into a fury. This did not happen. The public understood. The man fooled around and then lied about it. Now



'Just a few more weeks or months, in fairness to us - another chance to question Monica again."

The press was similarly Watergate — and the public deleded. Here, once again, knows it. was a scandal to make a reputation, spawn movies. Sex with an intern was inflated into abuse of power public caught on. Surely, and Mr. Clinton was denounced as if he had surtanks or, as in Watergate, used one government agency to snooker another. Deep Throat's injunction to "fol-"follow the rumor, the dress, the Black Dog T-shirt.

Monicagate is a parody of

History itself deceived Mr. Gingrich, the historian. It taught all the wrong lessons, even that the party occupying the White House loses seats in the congressional elecrounded the Capitol with tions. He fought all the wrong battles, chose all the wrong historical precedents. He woke at 3 A.M. on election night, heard the results, low the money" became and he says he thought, "How fascinating."

It was for Custer, too.

## Captain Jack's Management Tips: Fire the Guns and Spare the Lash

By David Ignatius

to explain these books to the unaddicted?

ish Royal Navy officer of the early 1800s, who is distinguished by two qualities: his prodi-gious appetite for food and drink and his utter earlessness in combat. Captain Jack is interested in sex, too, but less so than in eating or fighting. In these respects, he embodies the ssential male fantasy life.

Aubrey's sidekick is a more intellectual gentleman named Stephen Maturin. He is the ship's physician and amateur naturalist, who

#### MEANWHILE

is always bugging Cap'n Jack to let him go ashore and look for exotic animals, such as giant turtles, wombats and sloths. But Maturin, too, is secretly a man of action — he is a spy, who foments a tidy covert action in Mauritius in one book and is viciously tortured in another.

The books, in short, are escapist reading for middle-aged males — sort of the Hardy Boys updated. They contain enough historical detail to feel like serious books, but they are so easy to read and so addictive that they seem like mind-candy — although closer to fine Belgian chocolates than to M&Ms.

With about 4 million books in print, Mr. O'Brian hardly rivals Tom Clancy or Stephen King in terms of mass audience. But there is a cult quality to these books, as evidenced by several web sites devoted to explaining the writer's exotic nautical terms (such as "loblolly boy," which turns out to be a physician's mate and comes from the portidge, loblolly, served to patients in the sick bay), charting Anbrey's voyages, even imagining who would play him and Maturin in the

Mr. O'Brian, like many good writers, is a self-imagined fellow. It turns out that his real not really Irish, revelations that briefly stunned cult members a few months ago. The O'Brian cult is wonderfully eclectic, by the way, ranging from the liberal anchorman Justice Anthony Kennedy to the conservative

actor Charlton Heston. It is a measure of the appeal of these books that you could quote one of the archaic phrases Cap'n Jack is always using, like "I wish you joy of your command!" or "Lose not a minute!" and be instantly understood by another cultist.

Why are these books so likable? They are certainly well written. Mr. O'Brian captures the manners and morals of the day, in ways Auston at sea. And they are prodigiously well South Africa.

researched, offering an engrossing account

ASHINGTON — One of the more in-triguing cultural phenomena of the But I suspect that the Aubrey-Maturin 1990s is the surging popularity of Patrick books also engage an obsession with self-O'Brian's sea stories, known to their armada improvement. Just as my mother's generation improvement. Just as my mother's generation of readers as the Aubrey-Maturin novels. How liked to read Jane Austen partly to know how to behave, surely some of Mr. O'Brian's They feature Captain Jack Aubrey, a Brit-readers devour the books because they want to know how to command.

For that is Captain Jack's true genius. He often makes a mess of things ashore, but at sea he is a titan. So here is a brief compendium of Captain Jack's management tips, culled from the books with the help of my friend James Fallows, a writer and fellow cultist.

· Spare the lash. Like any good officer, Aubrey believes in discipline, but not to the point that it demoralizes and intimidates the crew. He is suspicious of boats that are too neat and expresses no sorrow when a tyrannical neatness freak named Captain Corbett is killed, apparently by his own sailors.

 A happy ship is a good ship. Aubrey frets about maintaining harmonious relationships among his men. He despises the seagoing version of office politics, and he maintains his sanguine composure through the darkest moments of battle. He is utterly loyal to his subordinates, who return that loyalty

time and again. • Exercise the guns regularly. Aubrey is obsessive about this, requiring his crews to fire repeatedly at practice targets to improve their speed and accuracy. In modern CEOspeak, this translates to maintaining peak quality control in your core business.

 "Hold the weather gauge." Captain Jack always is repeating this obscure bromide as he prepares for battle. According to Dean King, who has written several companion books to the O'Brian novels, it means staying upwind as you attack. This helps you take the offensive, but it makes retreat difficult. As Captain Jack likes to say, quoting his hero Lord Nelson: "Go right at 'em!"

 Lead by example. In battle, Aubrey jumps into the thick of things with his men, leading the boarding parties with a cheer. He is misername is not O'Brian at all but Russ, and he is able in one book when he is promoted to commodore and has to watch the fighting from a distance.

• Be spontaneous, Jack Aubrey is not a man who likes to think too long about anything; he Walter Cronkite to the centrist Supreme Court makes decisions intuitively. Similarly, he is never afraid to make a fool of himself bursting into hearty song, delivering horrible puns, playing chamber music with Maturin on the eve of combat.

What worries fans of Patrick O'Brian, who is 84, is that Captain Jack's long voyage may be ending soon. But Starling Lawrence, who edits the books for W. W. Norton, says he has five chapters of the next Aubrey-Maturin book, No. 20, on his desk. He has an outline of the ending, too, and it looks as though Captain that sometimes give the books the feel of Jane Jack is setting sail for a new adventure in

The Washington Post

#### LETTERS TO THE EDITOR

#### A Worrisome Poll

Regarding "Away From Politics"

The Harris Poll finding that Americans worry too much about the chances of developing a deadly disease or being in a car crash is cryptic.

What would the standard of measurement be for worrying? Number of nails bitten per day? Knuckles cracked? Sweat beads? For example,

rather, well, worrisome. BRETT SHAPIRO.

## A View From Down Under

As a New Zealander who thought we shared a common language (English) with our American cousins, I was concerned to notice that the words "independent" (as in independent

know, as I find the isolated statement posite meaning in the two countries. DENNIS BEYTAGH. Ohakune. New Zealand.

## The G-7's Meeting Place

Regarding "A Proposal to Monitor World Finance System" (Feb. 1): The Bundesbank president, Hans Tiemeyer, suggests "the formation of

a committee of financial regulators to exchange information and track pohow would Harris define "worrying counsel) and "impartial" (as in Contential problems in the global econjust enough"? I would be curious to gress) had a quite different and opony before they erupted." Such an

institution has existed since the early 1960s. It is called the Organization for Economic Cooperation and Development and its membership consists of all G-7 countries, plus virtually every other developed country in the world.

Washington, Bonn, Paris, London and Tokyo just need to wake up and start using the OECD committee structure that already exists to bring together ministers of trade, finance, and economics on a regular basis. DAVID TIMMINS.

Geneva.

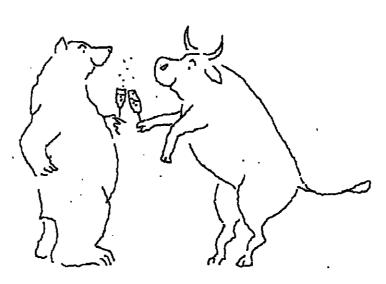
TOGETHER, WITH OUR COMMON STRENGTHS, WE'LL BE ABLE TO REACH

ERE IT IS - THE NEW NAME FOR TWO STRONG PARTNERS.

THE HIGHEST GOALS. WATCH OUT DAX, HERE COMES

# Degussa-Huls

Specialty chemicals now have a new spelling: Degussa-Hüls AG. The company will have 46,000 employees and will start with sales of more than DM 20 billion. Degussa-Hüls an attractive new international company with high growth potential based on the combined strengths of two established firms. Degussa-Hüls – the latest word for more expertise, more commitment, more innovation.



## U.S. Jets Blast Iraq Anti-Ship Missile Battery

The Associated Press

WASHINGTON - American warplanes broadened their response to Iraqi challenges of no-flight zones on Tues day by attacking an anti-ship missile battery in southern Iraq after coming under fire from anti-aircraft artillery, U.S. officials said.

It was the first time in the recent string of almost daily confrontations in the skies over Iraq that U.S. planes have targeted shore-to-ship missile emplacements. They have routinely fired on radar sites, surface-to-air missile batteries, communications links and other elements of Iraq's air defense network.

There was no indication from U.S. officials that Iraq had fired any anti-ship missiles to provoke the attack. The incident indicated that U.S. forces were no longer limiting their choice of targets to

air defense sites.

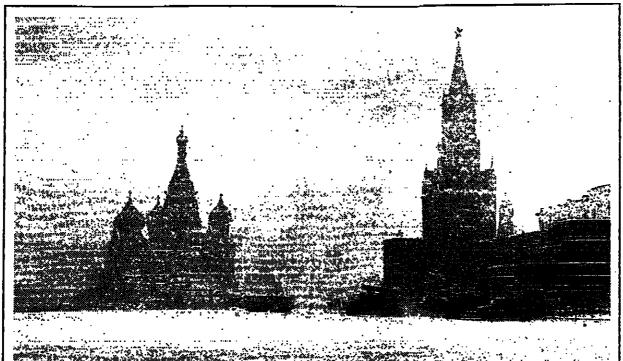
Separately, U.S. officials reported five incidents Tuesday in northern Iraq in which U.S. Air Force and Marine Corps planes attacked anti-aircraft artillery sites and radar associated with an SA-2 surface-to-air missile battery. The American planes acted after encountering antiaircraft artillery fire, officials said. In the incidents in northern and south-

em Iraq, all U.S. planes returned safely In southern Iraq, two navy F/A-18s and two navy F-14s fired a total of four on it during an appearance before the margin for maneuver we have in a thousand on it during an appearance before the precision-guided bombs, known as GBU-12s, on a battery of CSSC-3 anti-

ship missiles on the Al Faw Peninsula that juts into the Gulf at the mouth of the Shatt al Arab waterway, officials said. Earlier Tuesday in the northern noflight zone, air force F-15Es dropped two precision-guided bombs on an antiaircraft artillery battery after being targeted by Iraqi radar, the U.S. European Command announced. Fifteen minutes

later, another Iraqi radar targeted F-15Es, whose pilots responded by dropping more precision-guided bombs. In a third incident in the north, a Marine Corps EA-6B electronic warfare plane fired a high-speed anti-radiation missile at an SA-2 missile radar site. In a weight of the United States and the abfourth incident, about five minutes later, sence for the moment of a counter-

dropped an unspecified number of GBU-12 munitions on another anti-aircraft artillery site deemed to pose a threat to U.S. and allied aircraft.



MOSCOW CHILL - Snow blanketing Red Square on Tuesday. A low of -20 centigrade was forecast.

## FRANCE: Going It Alone, U.S. Inspires Drive for Multilateralism

result of European indecisiveness.

ously in another direction.

viewpoint about six weeks earlier.

He described "the predominant unilateralism. And that's inadmissible." In an interview with the French news-

in response. His answer, in part, was: Trade Organization, the G8, and that the 'On the condition of not living in a European Union be one of the dominant dream world, knowing the principle of leverage and a few others from 'international geophysics,' knowing how to put together ad hoc majorities or block-

But to succeed against the "daily manifestations" of American power, a that unilateral actions were essentially a method was necessary. The foreign minister set it out in five steps:

3) Methodically widen the bases of Last month, Mr. Jospin said, "We're agreement among Europeans; 4) Cohas difficulty in assuming the role it all circumstances organized multilateraspires to as organizer of the interna- alism and the prerogatives of the Security Council; 5) Prepare politically, sovereignty. Mr. Jospin's foreign minister, Mr. institutionally and mentally the moment Vedrine, detailed the government's when Europe will have the courage to go

For Mr. Vedrine, there had to be a better way of organizing the world than leaving it to American unilateralism. He said, "There are two opposing approaches: on one side, the dominant other side, a system both multilateral and multipolar associating all or part of the last countries of the world, which sup-185 countries of the world, which suppaper Liberation, Mr. Vedrine asked himself rhetorically what was to be done Security Council, the IMF, the World Clinton.

poles in this restructuring. We are work-

ing minorities...we can use the margin come more directly under the political

Mr. Chirac, in turn, came to the issue of American unilateralism after the reconfronted with a new problem on the international scene. The United States often behaves in a unilateral manner and operate at each stage with the United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene. The United States of the diplomatic corps international scene in a unilateral manner and of the diplomatic corps international scene in a unilateral manner and of the diplomatic corps international scene in a unilateral manner and of the diplomatic corps international scene in a unilateral manner and of the diplomatic corps in the dip ciples for an international order in the new millennium based on "collective

Of Mr. Chirac's list of seven prin-

## Paul Mellon Is Dead at 91; Shy Philanthropist Led National Gallery of Art

By John Russell New York Times Service

NEW YORK - Paul Mellon, 91, the patrician art collector who tenaciously turned philanthropy into his personal art day at his home in Upperville, Virginia.

A son of enormous wealth, Mr. Mellon turned from his family's world of

banking and business to become an endlessly inventive benefactor of the na-tion's cultural life. The Mellons' total contributions to

museums and other causes from parks to poetry has been estimated at nearly a billion dollars. The money has gone to save seashores and encourage scholars. It established the Yale Center for British Art and America's top poetry award, the Bollingen Prize.

But to many, the greatest monument to the family's fortune, and to Mr. Mel-lon's personal dedication, is the National Gallery in Washington, conceived as a gift to the people by his father, Andrew Mellon (1855-1937), the financier and longtime secretary of the Treasury.

The elder Mellon did not live to see his wish fulfilled. But Paul Mellon, who never shared his father's love for commerce, more than inherited a dedication to giving something back to society. For the son it became a way of life.

"Giving away large sums of money nowadays is a soul-searching problem, he once said. "You can cause as much damage with it as you may do good."

At a time when many patrons of the marks from Mr. Jospin and Mr. Vedrine. arts insist that their names be chiseled on a museum's facade, he was remembered for avoiding self-promotion and refraining from narcissistic exercises of power.

'Some of it, I suppose, is just a natural shyness on my part," he once said. But there were other reasons. In "Reflections in a Silver Spoon." his 1992 autobiography, written with John Bas-kett, he said, "If my father had created the Mellon Gallery of Art in Wash-ington, would other donors have been willing to support it?"

Paul Mellon was born in Pittsburgh on June 11, 1907, the only son of Andrew Mellon and his first wife, the Englishborn Nora McMullen. Andrew Mellon, a partner in the private bank founded by his father, Judge Thomas Mellon, in Pittsburgh in 1870, became one of the most successful U.S. financiers of all time.

Throughout his school days at Choate, in Connecticut, and later at Yale and at Clare College, Cambridge, Paul Mellon developed in ways that defined and strengthened his character, even if they did not always delight his father.

Whether in the United States or in roof," Mr. Courtis said, "but we'll soon that high-flying technology stocks will perative if all countries are to manage who can swing things back to a situation. England, he loved the countryside. It was that will allow the proper running of the there that he could include his passion for horses. His horse Mill Reef won the Eng-Under traditional Asian leadership, lish Derby in 1971, and he was a cham-

When he returned to Pittsburgh from Cambridge in 1931, he agreed almost as a courtesy to his father to enter the Mellon Bank as a trainee clerk. His father's employees never dared to evaluate the boss's son, and in due time he was invited to join one corporate board after another.

On Nov. 29, 1936, he had a crucial meeting with his father, who was in failing health. He recalled telling his father that he could not be "an inadequate replica of yourself, or a counterfeit." He was not a man of business, and never would be one. To his surprise, his father said that was not necessary. He should consider himself as an owner who "kept vaguely

in touch through the head people.' Two months before Andrew Mellon died in 1937, construction began on the National Gallery of Art, which had been approved by Congress that year. Andrew Mellon provided funds for the initial gallery, now known as the West Building, designed by John Russell Pope. He also gave 115 paintings, 31 of which had been sold by the cash-poor Soviet government from the Hermitage in Leningrad.

On March 17, 1941, Paul Mellon officially presented the National Gallery to Passidest Expellin D. Rosseyle also

President Franklin D. Roosevelt along with the Andrew Mellon Collection, including Raphael's "Alba Madonna," van Eyck's "Annunciation," Botticelli's "Adoration of the Magi" and a Gilbert Stuart portrait of George Washington. Paul Mellon was the National Gal-

lery's president and a trustee from 1938 to 1939, rejoining the board in 1945. He served again as president from 1963 to 1979 and as board chairman from 1979 to 1985, when he became honorary trustee. Through the years he made clear that

he did not wish anyone on the staff to bow and scrape at his arrival. To his final days, he would call the gallery's di-rector, Earl Powell 3d, and ask, "Would it be all right if I came to lunch to-morrow?" Still, when he retired from form, primarily through his stewardship the board in 1985, he told the trustees of the National Gallery of Art, died Montant the would haunt the gallery for the rest of his life. "And who knows?" he said. "Perhaps from beyond."

Over the years, he gave 913 works to the National Gallery, including Cez-anne's "Boy in a Red Waistcoat," two paintings by Mark Rothko, Alexander Calder animal sculptures, Winslow Homer's "Dad's Coming," Picassos, Gauguins, Bonnards, Vuillards, a Manet, the original wax version of Degas's "Little 14-Year-Old Dancer" and post-

cards written by van Gogh and Matisse.

He once said that "collecting is the sort of thing that creeps up on you." That was certainly true of his panoramic enthusiasm for English art in all its forms. Before long those holdings seemed to call out for a home of their own. From this came his decision to create the Yale Center for British Art, a museum and research institution that is the largest collection of British works outside Britain. It opened in April 1977.

Mr. Mellon also was a single-handed and single-minded environmentalist. In 1956 foundations that had been started with his sister published a report, "Our Vanishing Shoreline." As a result of this alarm, and with considerable amounts of Mellon funds, parts of the Cape Hatteras National Seashore, the Great Beach of Cape Cod and Cumberland Island off the coast of Georgia have been preserved.

#### BRIEFLY

#### U.S. Probes Release Of 5 Palestinians

JERUSALEM - U.S. security officials are investigating Israeli allegations that the Palestinian Authority released five militants involved in deadly attacks on Israelis and Americans, a U.S. official said Tuesday.

Israel says that Palestinians involved in terror attacks were among members of militant Islamic groups released by the Palestinian Authority last month, in a pardon for a Muslim holiday.

Among those released, Prime Minister Benjamin Netanyahu has said, were five Palestinians involved in attacks that killed dozens of Israelis and five U.S. citizens.

The Palestinians insisted that none of those released were implicated in attacks and none were wanted by Israel.

#### Yemeni Tribesmen Free 6 Westerners

SAN'A, Yemen — Tribesmen in Yemen released a Dutch family of four and an elderly British couple Tuesday, more than two weeks after they were abducted, Yemeni security officials said.

Yemeni officials said the release followed talks between tribal leaders and the kidnappers, who abducted the six Jan. 17 to demand the release of a tribe member from prison.

Yemeni officials said that Germany's ambassador was meeting with a senior tribal leader to seek help in releasing two German hos-tages still being held. Four Western hostages were

killed in a shoot-out in December between kidnappers and security

#### For the Kecord

Twenty-eight people were killed, 20 on the ground, when a privately-owned Antonov 12 air-craft crashed into a poor neighborhood Tuesday in Luanda, the Angolan capital.

Police have recovered 12 stolen paintings by one of Mexico's major artists, Rufino Tamayo, but they failed to catch the thieves, Notimex news agency said.

Continued from Page 1

institutions. In the case of Germany, however, the Frankfurter Allgemeine Zeitung reported that Foreign Minister Joschka Fischer refused to condemn what was termed American unilateral-French National Assembly's Foreign Affairs Commission. He said instead

The French analysis pointed obvi-

tional community."

an unspecified number of F-15Es dropped GBU-12 precision-guided munitions on an anti-aircraft artillery site.

And, 10 minutes later, F-15Es and the idea it has of its mission to

"1) Have solid nerves; 2) Persevere;

ing at it."

For the moment, French attention

seems to be on reorganizing the IMF to control of member governments so as to minimize what is perceived here as the organization's role as an instrument of American influence. Voting power in IMF councils is based on national wealth and economic performance.

ciples, the first - without a specific reference to the United States — called for "collective responsibility" in international action "excluding unilateral temptations and leading to shared management of the global risks and threats that weigh on our peoples." The other power with its means of influence; on the principles went to the same general theme of multilateralism: equality, soli-

#### DAVOS: World Financiers Send Message to Shaky Economies: You'd Better Get Used to It "In Indonesia," he said, "it will be everyone in the private sessions here." put a human face on globalization and Continued from Page 1 But there was also a widely voiced fear respond to a set of needs that are im- many years before you have a leader

forget about this crisis.

little about: the world of computers and electronic commerce.

The skyrocketing market value of American technology stocks stunned secretary of the Treasury, suggested that economists and officials from around the best way to resuscitate Brazil's trauthe world, said David Hale, chief econ- matized currency, the real, would be to leadership may be needed." omist of Zurich Insurance Group.

America Online Inc., he said, "now

transport companies in the United States according to Senator Kerry. "centered put together. That's what really stunned on the thesis that we need to find a way to

soon collapse and knock down the broad- this process effectively." There was another troubling message er U.S. equity market, triggering another "The atmosphere is very different country."

There was another troubling message er U.S. equity market, triggering another "The atmosphere is very different country."

Under the atmosphere is very different country. "Under this year than last," he added. "Last Under the country." At the intersection of the old and new

economies, some found humor. Lawrence Summers, the U.S. deputy float it on the stock market as real.com. has a bigger market cap than all the theme at Davos, where the discussions,

about where we're headed."

servative and proponent of what he

conferees acknowledged they knew strongest economy and biggest importer. year, there was a sense of foreboding, Mr. Lee said, "there had always been pion trail rider until well into his 70s. helplessness and confusion. This year not a counting but a chopping of heads, there is both resignation and confidence and thus leaders were strictly obeyed. "The world is changing so fast," he

However, he also noted tactfully that said, "I do not know whether Singapore there was "agreement that stronger can move quickly enough to find a niche in the new constellation of technolo-

"It is a totally different world that can country together."

## Explosion in China Injures Policeman; **Ticking Bomb Found in Hotel Bedroom**

BEUING — A policeman lost both arms and was blinded in one eye when a time bomb exploded in China's cen-tral Henan Province, the police said

In a separate incident, in south-eastern Fujian Province, two men have been arrested for allegedly detonating a remote-control bomb outside a bank in an attempted robbery, the Guangzhou Daily said. Two

people died and five were injured. The police in Henan have launched a manhunt for Zhang Xitang, 20, an unemployed villager who is accused of leaving a time bomb in his hotel room in Xiangcheng on Jan. 26.

Officers, acting on a tip, were searching Mr. Zhang's hotel room least seven bombs that killed 31 when they heard a ticking sound, the people and injured more than 100. Yangcheng Evening News said in an

injured as he rushed out of the hotel with the ticking bomb into a crowded street, the police said.

Mr. Jiang was rushed to a hospital and was listed in stable condition, the newspaper said.

after he tipped off the village Communist Party secretary about the time

police said.

Government donations have poured

## edition seen in Beijing on Tuesday. in for Mr. Jiang, who has a 4-Jiang Ziliang, 36, a policeman, was daughter, a city official said. in for Mr. Jiang, who has a 4-year-old

# Huntz Hall, a Bowery Boy and East Side Kid, Is Dead at 78

for 20 years played the slow-witted in Los Angeles of cardiac disease. Rarely if ever has a bit of Broadway

Peppering their speech with "dese,"
"dem" and "dose," the six portrayed
the hard-luck solidarity of poor teen-

by criminals. The youths, who were shown diving

sidekick of Leo Gorcey in more than 80 characters played by Humphrey Bogart, "Bowery Boys," "Dead End Kids" and "East Side Kids" movies, died Saturday the play, Mr. Hall played the character called Dippy. The movie was a hit, and the Dead

Enders — Mr. Hall, Mr. Gorcey, Gabriel Dell, Billy Halop, Bobby Jordan and Mr. Ching is among those who well, hope that Hong Kong consumer snobbery will eventually put Lo Wu out of busiother young actors appeared as New York street toughs in Sidney Kingsley's more films in which they portrayed the same group of wayward roughly the same group of wayward teenagers, more victimized by society

For starters, the officials do not work on weekends, which means the shop-keepers are not bothered during the two busiest days of the week. Some stores stock two sets of products — with and stock two sets of products — with an or crime played by stars such as Mr. Bogart in "Crime East River, had a powerful role in estatistic transformed into the stock two such as for it thought it was great fun," Mr. Ching said, after spending a day at Lo Wu tablishing the play's realism.

When Samuel Goldwyn produced the base of products — with a stock two such as for its and or crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. Bogart in "Crime Saspects in crime played by stars such as Mr. apted by Lillian Hellman and directed by (1939). The young men always struggled

neighborhood luminaries.

In 1946 came the first of the "Bowery Boys' series, in which Mr. Gorcey played Slip Mahoney, the ring leader, and Mr. Hall was Sach Jones, his sidekick. In all, 48 films were made. In the last one, "In the Money" (1958), Mr. Hall, then 38, was once more the perpetual adolescent, dogsitting a poodle on a cruise as nefarious thieves tried to steal a diamond hidden on the dog.

Former Governor Mills Edwin Godwin Jr. of Virginia, 84, who rose after suffering a heart attack. above his segregationist past to become one of his state's most effective chief executives, died Saturday in Newport News, Virginia

Jeanne-Marie Darre, 93, a French pianist whose interpretations of Chopin and Liszt solo works and the Saint-Saens Concertos were admired for their sophistication and interpretive inventiveness, died Jan. 26 in Port Marly, France,

Ed Herlihy, 89, a radio announcer whose voice charted the course of World War II for moviegoers and who then for the better part of 40 years spoke for Kraft foods on radio and television, died Saturday at his home in Manhattan.

Jerzy Turowicz, 86, who skirmished with Communist censors for nearly four decades to produce a Polish Catholic weekly, Tygodnik Powszechny, that became widely known as "the only free newspaper from Berlin to Vladivostok." died Wednesday in Krakow, Poland,

Mario Zacchini, 87, the "human cannonball" who entertained circus crowds for decades, died of kidney failure Thursday. He was the oldest member of a Tampa, Florida, circus family, the last of seven brothers - five of whom were known as human cannonballs.

George Mosse, 80, a retired University of Wisconsin historian and authority on European fascism, died Jan. 22.

## FAKES: Bargains for Hong Kong Shoppers

Continued from Page 1

residents in the last six months, as the Asian recession has made authentic de- during the week, their arrival rarely sursigner goods seem unaffordable. For prises or ruffles the shopkeepers.

who is married to an executive at Hyatt Hotels, said she had made six pilgrimages to Shenzhen to buy sunglasses and handbags, and to have clothing tailored. Though she said she could afford Gucci or Fendi sunglasses, she said she felt uneasy about such conspicuous consumption,

given the downturn in the economy.

The whole attitude has changed in the last year," said Ms. Kwok, 39, as she sat to prosecution. in her apartment overlooking Hong Kong harbor and petted her white poodle. "People go up there because they get a great kick out of buying something for a fraction of what it costs in Hong Kong."

For Hong Kong's purveyors of luxury goods, like Mr. Ching, those are chilling words. After years of pleading with the local Customs and Excise Department to crack down on the sale of counterfeit goods in the territory, he now must worry that his clients might take their dollars across the border (Shenzhen's shops have few mainland customers and generally accept only Hong Kong dollars).

The Hong Kong government has ag-gressively raided illegal shops and fac-tories in its own territory, but Mr. Ching said China had made little headway in the fight against fakes on the mainland, and cramped shops, Lo Wu will lose its whether compact discs or Gucci wallets. "In Hong Kong, if you complain enough, they'll take action, stage some

high-profile raids, make a few arrests,"

Mr. Ching said. "But in China, these things are just so rampant, and the law enforcement is so sporty." Indeed, the local authorities have been China and South Korea - has become waging an uphill battle against counterfeits in the Lo Wu mall. In early January, officials from the Shenzhen the \$19 imitation is virtually identical. Trade and Industry Bureau raided two rush of knowing one can buy something shops and seized 80 fake handbags. But

the campaign has hardly dented the bustling commerce at the mall.

without trademarks — and stash the fakes in plastic bags when there is a risk of a raid. Even when officials conduct sweeps

many label-crazy Hong Kongers, shopping at Lo Wu is the only way to keep up appearances in hard times.

Charol Kwok, a Hong Kong resident

We just close the door and wan union they go away," said one sales clerk who would give her name only as Miss Wang. Sometimes, the shoppers huddle behind the door along with the salespeople.
When the shoppers return home, they

are subject to Hong Kong law, under which it is illegal to import goods with a forged trademark. But the law has loopholes: If a person does not know that the goods are counterfeit, or does not plan to resell them, then the person is not subject Hong Kong officials recently arrested

two women at the border for carrying 200 leather bags, which they said they intended to resell. So far this year, officials have carried out 14 seizures of counterfeit items, compared with 38 in all of 1998. But a Hong Kong customs spokes-man, Richard Law, conceded that of-

rying fakes. On a recent Sunday, most shoppers were not checked - even those carrying bulging bags and hauling brand-new suitcases. For all its gritty novelty, some observers predict that people will stop shopping for knock-offs in China as soon as they feel flush again. They say that with its surly crowds, dim lighting

ficials could not riffle through the bags

of every person they suspected of car-

appeal among well-manicured Hong too good. People may be reluctant to pay \$387 for a genuine Prada backpack when

for next to nothing - a thrill to which he himself is not immune.

Then, too, he said, there is the primal

oat it on the stock market as real.com. Lee Kwan Yew, Singapore's senior gically and knowledge-based econo-But humor was not the prevailing minister who described himself as a con-mies. called firm leadership, said the toll in unravel age-old values that have held our

Southeast Asia had been high.

Mr. Zhang allegedly tried to extort money from his village's Communist Party secretary, the police said.
Mr. Zhang's alleged accomplice, Zhang Wei, 29, was in police custody offer he tipped off the village Complex.

bomb in the hotel, the police said. Zhang Xitang planned to plant the bomb at the village party secretary's home near the hotel that evening, the

William Wyler, the six juveniles served with their feelings toward these notorious New York Times Service NEW YORK --- Huntz Hall, 78, who

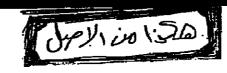
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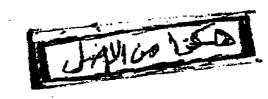
Mr. Ching is among those who dearly ope that Hong Kong consumer snobbery casting led to as many lucrative replays and adaptations of the same roles as when Mr. Hall, Mr. Gorcey and four

agers who, seeing few alternatives to lawlessness, find themselves impressed

as something of a Greek chorus, vari-ously tempted and repelled by the older

than victimizers. For the most part, the new films were variations on the theme of "Dead End." In urban settings still tinged by the Depression, the films' anti-heroes were into an orchestra pit transformed into the criminals or suspects in crime played by





# Leg Dead at 9 Le

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#### BRIEFLY

# U.S. Probes Release Of 5 Palestinians

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For the first time ever, the world's biggest fashion show is on the world's biggest network; the internet. Don't miss your chance to see Stephanie, Tyra, Laetitia, Karen, Daniela, Heidi, and twenty more of the most beautiful women on earth. Take your seat on the virtual runway for all the glamour of the Victoria's Secret Fashion Show, LIVE, online, tonight at 7 pm, EST. Exclusively at www.VictoriasSecret.com.

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in 1:30

## STAGE/ENTERTAINMENT

# Mitch Wright: The Gospel Truth

His Music Is Sum of Many Traditions

By Mike Zwerin International Herald Tribune

PREING

s00

ARIS — Before his current intergenerational collaboration, the up-and-coming multicultur-al gospel star Mitch Wright was formerly more interested in the artist formerly known as Prince.

He liked listening to Michael Jackson, too, but there was not much available beyond that. He once met the French blues hero Memphis Slim. "He was such a very big man," is about all that he remembers. Now he has grown to be the sum of more than one tradition. But as a child growing up in Paris he was cut off from African-American trends. His father is American, a professional gospel singer; his mother is German, her mother was a classical piano teacher. Gospel meant nothing to him.

In 1994, Mitch turned 21 and the Golden Gate Quartet celebrated its 60th birthday. The Paris-based gospel group gave close to 300 concerts that year. Wright's father, Clyde, joined in 1954. He had been living in Bordeaux, a

few years after an honorable discharge from the U.S. Army. The group's founders, Clyde Riddick and the late Orlandus Wilson, both close

to 80 in 1994, were tired and looking forward to a well-deserved rest.

Clyde Wright was younger and energetic and ambitious at the end of 1994. With the quartet on hold, he formed his own group and called it the Gospel Caravan Trio. He asked his son to help him finish writing some songs. A quick CD was needed to support an impending tour of Switzerland.

Mitch Wright is a tall, outgoing, bright young man with a ready smile and bilingual fluency. "In my father's generation," he said, "if you wanted to make church music your profession, basically you had to accept that you would not be able to support yourself. Even today, I have cousins over in the states who grew up with church music, and the decision is not easy for them either. Should they cross over to pop? There's a line between religious and secular music. It used to be that if you crossed that line you would betray the church - betray yourself, in a way. It's different now, but still."

Gospel music can be traced back to a pianist named Thomas A. Dorsey, who

New York Times Service

PHILADELPHIA — The 1999 Newbery Medal for children's lit-

erature has been awarded to a darkly

comic novel about a schoolboy's mysterious adventure. The winning

book, "Holes," by Louis Sachar, is

about a boy named Stanley Yelnats

who is convicted for a crime he did

not commit and serves time at Camp

Green Lake, a bizarre juvenile de-

tention center in a dry Texas waste-

land. The award is given by the Amer-

ican Library Association.
Although "Holes," which won the

National Book Award for young

people's literature in November, was

the popular and critical favorite, it

was an exceptionally strong year for fiction and nonfiction alike, and lib-

rarians and publishers expressed sur-

prise that only one honor book, or secondary award, was given, for "A

perience in the 1920s. He came to believe that the human body was a temple, and he wroteand sang songs in praise of the Lord.

Dorsey had a hard time of it for a while. His songs adapted blues and jazz elements to sacred verses, and he was often told that there was no place for the blues in church. But eventually his influence became so strong that in the 1930s some gospel songs were known as "Dorseys." Mahalia Jackson and The Five Blind Boys of Alabama and others became famous and sang in churches all over America after developing Dorsey's innova-

With some exceppiano. Sister Rosetta Thorpe, with whom Clyde Wright sang as a young man, played the guitar. Eventually, Ray Charles and Aretha Franklin put the blues back into it and much of today's pop is a post-gospel fusion. Of course, just about anything you hear today is

some sort of post-hyphenated fusion. While attending a Parisian lycée, Mitch Wright began to play around with making music. At 14, his teeth were not strong enough to blow a saxophone, so he switched to guitar. The guitar generally goes with the blues, which is considered by some churchgoers to be the "devil's music." The blues is basically about nighttime, while gospel people tend to wake up at first light.

Clyde Wright "sort of pushed" his son into the classical conservatory. Actually, the young guitar student loved to play classical music, and he understood. 'It had been very hard for my father's generation to get a musical education. He insisted that I learn to read and write

Mitch learned pieces by Albeniz and Bach and later studied musicology at the Sorbonne. His knowledge of structure now helps him to write songs of his own (in French). Young Mitch's classical accompanied the blues singer Ma guitar teacher once gave him a little Rainey and who had a religious ex- folk-blues piece to learn, and one day

Long Way From Chicago," a novel

theme on the picture book side. The

Caldecott Medal for illustration went

to Mary Azarian, a Vermont artist, for

the life of Wilson Bentley, an early

photographer of snowflakes, illus-

Young Adult Library Services As-

sociation, a division of the American

Library Association, has agreed to the

establishment of a separate award for

the best young-adult book for readers

ages 12 to 18 based on literary merit.

awards, the winner will be announced at the midwinter meeting of the as-

sociation. Only books published by

youth divisions or dedicated chil-

dren's publishers will be considered.

As with the Newbery and Caldecott

In a separate development, the

trated with distinctive woodcuts.

'Snowflake Bentley,'' her account of

There was something of a wintry

by Richard Peck.



Mitch Wright: "I have different musical sides. But gospel will always he the first one, the roots one."

tions, gospel was accompanied by the his father overheard him jamming with

a funk group. Clyde Wright did not like that. As far as he was concerned, gospel and the blues, even folk blues, did not go together - secular versus religious. Classical was, well, classic. "My dad was angry," Mitch remembered. "He told me, 'The blues is not what I'm paying for."

ITCH was surprised when it became obvious that it was a real problem. For years, his father had worked on the SS France, sailing back and forth from Le Havre to New York. His father often told him how much he liked that life. He enjoyed meeting Hollywood stars such as Judy Garland. You don't get much more secular than that.

Mitch had not been aware of how important it was for his father to keep his

At the beginning of their collaboration, Mitch would work late at night to make sure he got the arrangements just right. He was studying arranging at the American School of Modern Music in Paris. This was good on-the-job training. They recorded 13 songs, enough for a CD. But it turned out that the Swiss tour had no recorded support after all, because contractual problems were followed by a lawsuit and the album was never released. It's called paying dues.
The Gospel Caravan Trio performed

on stage together for the first time as part. of a Radio France annual series. As musical director as well as singer, arranger and guitarist, Mitch conducts the rehearsals. (Including a supporting horns section, there are seven people on stage.) There were some short tours, an important concert near Toulouse, jazz festivals in Martinique and Andorra.

Over the past few years, they have learned enough repertoire for three sets, mostly their own material. The group is busy enough to keep the musicians it

Although the evening following Christmas Day is generally a slow date in clubs, last Dec. 26 they packed the prestigious Petit Journal in Montparnas-

"I have different musical sides," Mitch Wright said Saturday, before performing as part of the sixth annual international gospel festival in Paris. But gospel will always be the first one, the roots one. I'll always carry that with me no matter what. I've discovered a real important part of myself.'

# Russian Resurrection

By Sheridan Morley International Herald Tribune

ONDON - It was a rich, rare and amazing week for the rediscovery and rebuilding of two Russian classics, the first from 1870 and the second from 1910. Neither the first, Alexander Ostrovsky's "The Forest," at the National, nor the second, Maxim Gorky's 'Vassa,' Almeida Theatre at the Albery, were exactly unknown or unrevived here, but over them both had descended a fog of worthiness and a feeling of academic duty rather than sheer theatrical exuberance and enjoyment in their

staging.
Within a few days, all that has changed forever: the new adaptations by Alan Ayck-bourn ("The Forest") and Peter Gill ("Vassa") bring both plays off the library shelf and throw them into sharp new relief as farces of families in meltdown for assorted social, historical, political and generational reasons.

Ayckbourn's version of "The Forest," stylishly directed by Anthony Page on a wondrous indoor and outdoor set by William Dudley, starts out as "The Cherry Orchard" and ends up as "Wild Oats." At its new center are a pair of strolling players. Michael Feast and Michael Williams, whose arrival wreaks havoc on a household dominated by a rich landowner (Frances de la Tour) determined to control, and where possible destroy, her nearest and sup-

If you imagine a couple of Beckett tramps invading Sondheim's "A Little Night Music" you will have some idea of what is going on, maybe. Ostrovsky's genius here was to be the first since Shakespeare to write a play proving that the strolling players are the ones who, though apparently penniless and unemployed, retain integrity and nobility while the ostensible aristocrats around them cheat, lie and gamble to their heart's content. His arrow only finally reaches its target in one of the actors last speeches, "We are the artists, you are the clowns," but we have seen it coming from a long way off. Though slow-starting, Page's production won-

Feast, left, and Williams in Ostrovsky's "The Forest,"

derfully identifies the real heroes, and in Feast and Williams he has found one of the great comic double-acts of our time: Feast all strangled nobility and Williams chasing around him like a drunken but faithful dog. London and New York are alive with

plays in which the actors turn out to be the heroes, from David Hare's "Amy's View" to Terry John- LONDON son's "Cleo, Camping, Emmanuelle & Dick" to Noel Coward's thespian comedy "Present Laughter"; it is as

though, after years in which they have been vilified and traduced in the press as luvvies, player kings and queens are now back center stage in full greasepaint glory, probably for the first time in the almost 40 years since Stoppard's "Rosencrantz and Guildenstern

But Page's infinitely detailed character-study production acts as a useful counterpoint at those moments when Ayckbourn's patent love for his two actors threatens to unbalance the old edifice entirely, and the result would be far and away the best (and certainly the funniest) old Russian masterpiece in

restoration London were it not for the simultaneous arrival of "Vassa.

Though rather more familiar to local audiences than "The Forest," this too is a play that has suffered for years from a dire solemnity of staging. But the director Howard Davies has shot several thousand volts through it, and the outcome is another manic farce of Russian relative values gone hilariously and hysterically adrift.

Though written by Gorky some 40 years after Os-trovsky's "Forest," it has a curiously similar plot structure in which another formidable matriarch (Sheila Hancock) tries to maintain her dominance over a family that is patently coming apart at the seams.

Davies's production is peopled by some of the finest character actors in the business (Richard O'Callaghan, Adrian Scarborough, Ron Cook and David Tennant) and again it seems to be an anti-Chekhov project that, instead of mourning a lost rustic Rus-sia of landed gentry and sub-

servient peasants, suggests a whole new power structure built around ambition, greed, urban values and family-business takeovers. In that sense, these two plays remain more topical about modern Mos-cow than anything happening in the old cherry orchard. They have been brought back with a vengeance to suggest that

there were many more subversive things going on in Russia a century ago than just the col-lapse of the old order, and in that sense these plays more accurately prefigure the coming of communism a few years later.

Taking its mood from Katharine Hepburn in "The Lion in Winter" ("Every family has its little problems"). the production remains true to Gorky while turning his plot into the very best of Ben Travers. In one of the first great feminist texts, cuckold husbands. crippled sons, lovelorn daughters and grabby cousins all find themselves hurled into a farce with pell-mell chases around the furniture and leaps from windows. Chekhov on Speed is the result, with Hancock in fine form as the Mother from Hell believing that anything she does is forgivable in the name of family.

## Paris Fetes Contemporary Music

By David Stevens Imernational Herald Tribuic

ARIS — This city's musical scene has had a shot of adrenaline in the last few days with the opening of the ninth Presences festival of contemporary music and the visits of two major American orchestras.

In a total of 20 concerts running to Feb. 14, the festival, organized by Radio France, has its usual heavy dose of new works: 21 first performances, 33 being heard for the first time in France, and a dozen the result of commissions by Radio France. A wide audience is virtually guaranteed not only by Radio France's broadcasts, but also by free access to the concerts - all you have to do is get

there early enough to get a seat. The festival this year is built around two themes. One is the music of the prolific French composer Pascal Dusapin, 45, with 14 of his compositions programmed. The other is a presumed Paris-New York-Montreal axis, which brings to the programs the works of several young and not-so-young composers

los" for orchestra, his concert for cello and orchestra, with Sonia Wieder-Atherton as the virtuoso soloist, and the first performance of Eric Tanguy's "Intrada," for orchestra. The Radio's Orchestre National, under Pascal Rophe, was on its best behavior.

Of the forthcoming concerts, one on Friday has particular interest, with the "L.A. Variations" of Esa-Pekka Salonen, who is better known as the musical director of the Los Angeles Philharmonic, and "Viviane of Avalon," which is the opening scene of an as yet uncompleted opera, "Merlin," by the Argentine-born New York com-

poser Ezequiel Vinao. Aside from Radio France's orchestras, the concerts are being undertaken by two Canadian ensembles, the Nouvel Ensemble Moderne and the Societe de Musique Contemporaine du Quebec, while the Continuum and Orpheus Chamber groups are on hand from New York.

The Cleveland Orchestra was in town from the two North American cities. for two concerts, the second of which. The opening concert Friday offered on Sunday at the Cite de la Musique. two of Dusapin's densely written "so-included two works by Charles Ives that are hardly customary touring fare. "Central Park in the Dark" is relatively

well-known, but not the "Emerson Concerto," a highly concentrated 20-minute work for piano and orchestra that occupied Ives most of his life. It was given its French premiere in a "reconstitu-tion" by David G. Porter, with Alan Feinberg as the supremely confident soloist and the Clevelanders under Christoph von Dohnanyi in solid support. The San Francisco Symphony is also

making its way through Europe, with Michael Tilson Thomas and some uncustomary programming. On Monday at the Theatre des Champs-Elysees, the soprano Dawn Upshaw charmed the audience in the course of eight of Marie-Joseph Canteloube's 'Chants d'Auvergne,' singing the dialect as if she were born to it. The orchestra followed this with a songful and expressive reading of Mahler's Fifth Symphony. It was no ordinary night in the concert hall.

#### **BOOKS**

#### THE CRIME OF SHEILA MCGOUGH

By Janet Malcolm. 164 pages. \$22. Alfred A. Knopf.

Reviewed by Richard Bernstein TN "The Crime of Sheila

McGough," Janet Malcolm continues the icono- investigations, most obviclastic and overdetermined crusade that she began in her two last books, "The Journalist and the Murderer" and careless or lazy people out "The Silent Woman: Sylvia there who manipulate and Plath and Ted Hughes." falsify. In those works, Malcolm

subjects without remorse. "professional burglars," subjects for their own purposes. The work of both, she

or, more accurately, the way in which a trial is not a search for the truth but a battle- very evidence she presents. ground for two competing sents a fascinating case study, in this instance the apparently Gough, a lawyer, for particcrimes of one of her clients.

Market 1

\* and the

power of the person who condefending him, McGough trols the words, who invents gave the appearance that she

the narrative and who thus prevails over the truth. Also as before, she makes

An Award for Sachar's 'Holes'

far too much of her theory. In some respects what she does victed. in all three of these books is state in catchy, seemingly incisive epigrammatic form what are actually rather obvious problems in real-world

And so, on the one hand, likened journalists to confi- Malcolm provides useful indence men who betray their sights into the reality that often lies behind appearances. while biographers are like On the other, she inflates these particular insights into allplundering the lives of their purpose conclusions that wreak the same injustice on the complex and elusive truth maintained, inevitably in- as the false narratives ahe ex-volves the creation of nar- poses. An additional though ratives that are as likely to related flaw is discernible in deform the truth as to respect her new book. While Malcolm makes a persuasive case that Malcolm's subject in her McGough was indeed victimnew book is criminal justice, ized by a false narrative, some of the author's main conclusions are undermined by the

First things first. Malcolm narratives, the prosecution's has performed a useful public and the defense's. Like her service in re-examining the previous works, "The Crime case of McGough, a dedicof Sheila McGough' pre- ated but naive defense lawyer from Virginia. McGough, who spent two and a half unjust conviction of Mo- years in prison and was disbarred, was the defense lawipaing in the white-collar yer for a lifetime con artist named Bob Bailes, accused But Malcolm's main theme of defrauding a bank by lying is, as before, the vexing to get a loan. In the course of

had crossed the line from defense into illegal participation in Bailes's crimes, for which she was indicted and con-

Malcolm shows, by getting to know McGough well and by carefully examining the tors and for that reason was evidence, that the conviction prosecuted herself, on what

NONFICTION

I THE CREATEST CENER-

ATION by Tom Broken
2 TUESDAYS WITH MORRIE by Misch Albom

goes beyond this to a further belief. McGough says she was so assiduous and unyielding in her defense of her clients that she ended up irritating federal judges and prosecu-

## BEST SELLERS

3 THE CENTURY, by Peter Jennings and Todd Brewster 4 BLIND MAN'S BLUFF. The New York Times This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on the list are not by Sherry Sorgag and Christopher Drew with Annette Lawrence Drew 5 FOR THE LOVE OF THE FICTION GAME by Michael Inden
6 CONVERSATIONS
WITH GOD: Book 3. by
Neale Dottald Walsch
7 THE PROFESSOR AND I SOUTHERN CRUSS, by Patricia Comwell
2 A MAN IN FULL. by Tom THE MADMAN, by
Sumon Winchester 5 18
8 A WALK IN THE WOODS, by Bill Bryson 10 32
9 THE DEATH OF
OUTRAGE by Wilham J.
Rennest 3 SEIZE THE NIGHT. by Dean Koonez 4 BILLY STRAIGHT. by Jonathan Kellenman 5 IN DANGER'S PATH, by W.E.B. Griffin 6 THE CAT WHO SAW STARS. by Litian Jackson Bennett

10 CONVERSATIONS

WITH GOD: Book 1. by
Neale Dottald Walsch

11 THE TEN COMMAND

MENTS. by Laura

Scelessinger and Stewart
Vorel Braum 7 THE SIMPLE TRUTHL by 7 THE SIMPLE TRUTH. by
David Baldacci
8 THE POISONWOOD
BIBLE by Barbara
Kingsolver
9 HARRY POTTER AND
THE SORCERER'S
STONE by J. K. Rowling
10 ANGELS FLIGHT. by
Mithael Controls Vogel 12 THE ENDURANCE by Caroline Alexander

13 THE ART OF HAPPINESS.
by the Dalai Lama and
Howard C Cushr

14 WHY NOT ME?, by Al Mivhael Connelly
11 WHEN THE WIND
BLOWS. by lames Franken
15 CARELESS LOVE, by Patterson 12 MEMOURS OF A CEISHA. by Artur Golden
13 CHARMING BELLY. by ADVICE, HOW-TO 13 CHARMING BILLET. by Alice McDermon 14 A NIGHT WITHOUT ARMOR by level Kilcher 15 ARSTERDAM, by Jan AND MISCELLANEOUS

I LIFE STRATEGIES. by

Phillip C. McGraw

2.9 STEPS TO FINANCIAL
REEDOM by Size Orman

3 SUÇTER BUSTERS!. by H.
Leighton Steward et al.

4 ONE DAY MY SOUL
RUST OPENED UP. by
leasts Vanzans

was probably wrong. But she she contends were trumped up charges. Malcolm agrees. that in this country someone could go to prison for merely being irritating," she writes, "but as far as I can make out, this is indeed what happened to Sheila McGough.

That argument is so thoroughly contradicted by Maicolm's own evidence that one wonders if she really believes it. Yet in a tricky way, by advancing it, she seems to engage in the same sort of narrative oversimplification that she claims is inevitable, even as the rest of her reporting shows that it is not inevitable at all.

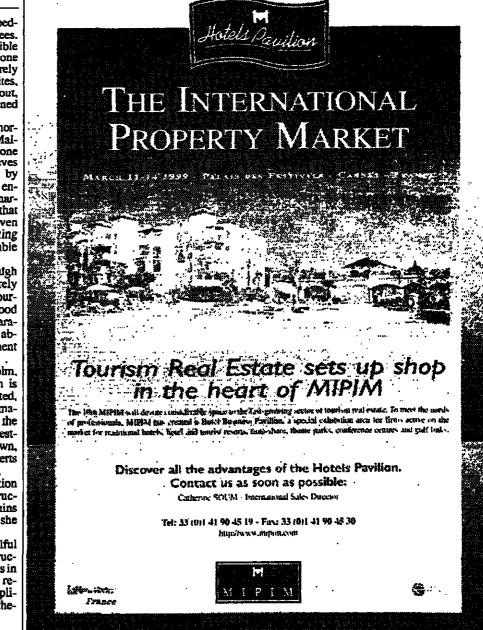
The idea that McGough was prosecuted for "merely being irritating" is, as journalists often put it, a good story, one invested with paradox, with Kafkaesque absurdity, with government abuse of power.

To her credit, Malcolm, whose view of McGough is nuanced and complicated. provides plenty of information about the case, so that the messy, shapeless, uninteresting truth becomes known, even if it is a truth that subverts the author's interpretation.

"Historical reconstruction in all cases gives rise to structures that are more like ruins than proper buildings," she writes.

In all cases? The skillful act of historical reconstruction that Malcolm performs in this book is a paradoxical refutation of her own simplifying and sensationalist theoretical position.

New York Times Service



NYSE

Tuesday's 4 P.M. Close The 2,300 most haded stocks of the day.

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1. needs in Commercia - 1994 General Southern and Commercial C

Continued on Page 14

Jey 100 120

WEDNESDAY, FEBRUARY 3, 1999

## **EU Is Poised** To Retaliate **Over Tariffs**

Brittan Vows to Punish Any 'Illegal' U.S. Steps

By Barry James International Herald Tribune

BRUSSELS - The EU's chief trade negotiator warned that he would not hesitate to impose countermeasures if the United States imposed punitive tariffs on European goods in a long-run-ning dispute over bananas, but he said he hoped the issues could still be worked out in the World Trade Organization.

Sir Leon Brittan, the European Union commissioner in charge of trade, has never said precisely what he would do if such measures were imposed. But in an interview this week, he warned: "If any illegal action were taken by the United States, it is quite clear that we would respond. The threat is there."

The two sides agreed to a temporary truce last week to allow the World Trade Organization time to work out a compromise, but the United States has not withdrawn its threat to impose 100 per-cent tariffs on more than \$500 million worth of EU goods, potentially placing

thousands of jobs at risk.

Asked if he was adopting a policy of speaking softly and carrying a big stick,
Sir Leon replied, "Well, I think the Americans know that the big stick is

The banana dispute sets the scene for potentially more damaging and acrimonious dispute later this year over the European Union's refusal to allow imports of beef from cattle fattened with hormones or agricultural goods pro-

duced with biotechnology methods. However, Sir Leon said such disputes were inevitable in an era of expanding global trade.

You can almost say statistically that the more trade you have the more dis-putes there will be," he said.

The banana dispute crupted over the EU policy of giving preference to producers in former colonies in the Caribbean, Africa and the Pacific over Latin American producers controlled by American distributors. Sir Leon asserted that the U.S.-controlled Latin American producers had put pressure on the administration of President Bill Clinton to go to the brink over a commodity that

The World Trade Organization agreed last week that the U.S. sanctions were justified in principle, but it also allowed an EU demand for arbitration on the justification and level of sanc-tions. This had the effect of placing the issue on hold, perhaps for several months while a panel reviews the dis-

Although the U.S. trade representative, Rita Hayes, said the deal was "a big win for us," Sir Leon commented, "If she likes to take that view, good luck to her."

He said there was no need for the

European Union to threaten specific countermeasures for the moment because, we seem to have been able to get the issue to the WTO for arbitration." ■ Japan Fears U.S. Protectionism

Japan and Europe face growing trade tensions with the United States this year, said Eisuke Sakakibara, Japan's deputy finance minister for international af-

fairs, Bloomberg News reported from Tokyo.
"What I'm concerned about in 1999 is that, whether the U.S. serves as an engine to pull the world economy along

or whether the Dow falls, the U.S. will certainly become protectionist." Mr. Sakakibara said at a symposium in Tokyo sponsored by the Institute for

International Monetary Affairs.
The United States decided last week to revive the so-called Super 301 law. which allows the U.S. government to impose unilateral sanctions on countries with alleged unfair trade practices. Japanese exporters face sanctions in connection with the alleged dumping of steel in the U.S. market.

"It's not going to end at bananas and steel," Mr. Sakakibara said.

After his warning about trade tension between the U.S. and Japan, traders bid up the yea, driving the value of the

Some traders pushed up the yen on speculation that Japanese officials may not mind a stronger yen as a way of easing trade tension with the United States. Some speculated that Washington also may tolerate a decline in the dollar to improve the trade balance.

Cross Rates

Condon (a) New York (b)



Hoping to make a quick profit day-trading in the stock market, Brenda Richardson of Houston lost \$60,000.

# Sleepless Nights Over Day Traders?

Complaints Prompt Scrutiny of U.S. Stock Market's New High-Fliers

By Ianthe Jeanne Dugan Washington Post Service

NEW YORK — Brenda Richardson wanted to squeeze a quick bundle out of the bull market to help put her daughter and niece through college. In late 1996, the Texas pharmacist plunked down her entire savings of \$10,000 to open an account at a Houston securities firm,

starting a journey that would take her deep into the addictive world of day trading.

Ms. Richardson was given the secret code to a room full of men staring zombie-like at computer screens flickering with stock symbols. She sat at her assigned terminal and, without any investment experience, started buying and selling shares for herself. "I had no idea what I was doing," she said. "I sort of looked around to see what other people were doing.

What she witnessed was a form of high-tech gambling --

traders darting in and out of stocks in minutes, sometimes seconds, usually selling all their shares before the day's closing bell.

Ms. Richardson said she quickly got into debt and handed over control of her account to a sweet-talking fellow trader. He moved her account to another firm where he was able, through excessive borrowing and wild buying and

selling of shares, to trade more than \$35 million of stock in her name over three months. Ms. Richardson said she ultimately lost \$60,000.

Ms. Richardson's story suggests how a renegade offshoot of Wall Street is veering out of control. Day-trading firms are multiplying, and some appear to regularly skirt rules intended to protect investors and shelter the stock market from wild swings and manipulation, according to court doc-

See TRADING, Page 16

## **Brazil Picks Soros Aide** To Lead Central Bank

Currency Rallies After the Surprise Move

By Diana Jean Schemo

RIO DE JANEIRO - The government unexpectedly replaced its central bank president, Francisco Lopes, on Tuesday, just a week after he had been confirmed in the job, naming a fund manager for the international financier George Soros to direct this beleaguered

nation's monetary policy.

The newly appointed central bank president, Arminio Fraga Neto, drew president, Arminio rraga Neto, drew praise from investors, who said he would bring practical experience and knowledge of how international investors operated to the job. But politically, the replacement of Mr. Lopes so soon after his appointment appeared to a present the appearance of the present of the programment's desperation. to reflect the government's desperation to find ways to turn around an economy

The move came as Stanley Fischer, the first deputy managing director of the International Monetary Fund, arrived in Brazil for talks with government officials, who are hoping to speed the release of a second \$9 billion parcel of a \$41.5 billion loan the Fund has pledged to help Brazil gets its economy back on

Buoyed by Mr. Fischer's direct par-ticipation in the talks, Brazil's currency, the real, rose for the second day in a row, stemming a steady decline that began
Jan. 13, when the government floated
the currency that was then trading at
1.21 to the dollar. The dollar closed Tuesday at 1.76 reals, down sharply from its close of 1.91 reals Monday.

The Sao Paulo Stock Exchange, Latin America's largest, opened up 1.5 percent but then dropped 1.79 percent by the close, with traders using the news as an excuse to take profits after an 8.8 percent rise Monda

Although jostled by the economic turbulence that wrecked economies in Asia and Russia, Brazil has only been hit full force in the past month, after Itamar Franco, a former president and governor of the third-richest state in Brazil, declared a moratorium on his state's debt to the federal government.

As South America's leader by every measure — including land area, population and the size of its economy the troubles of Brazil are triggering troubles throughout the region, which



Arminio Fraga Neto, named head of Brazil's central bank on Tuesday, drew praise for his experience.

buys 20 percent of all U.S. exports. Brazil is also the home of more than \$36 billion in accumulated direct foreign investment, much of it by U.S. companies including Ford Motor Co. General Motors Corp., MCI WorldCom Inc.,

Whirlpool Corp. and Caterpillar Inc.
The appointment of Mr. Fraga appears to strengthen the position of Finance Minister Pedro Malan, a strict monetarist who had been widely rumored to be on his way our.

In a televised interview Tuesday, Mr. Malan said he and Mr. Lopes had both tendered their resignations to President Fernando Henrique Cardoso but that only that of Mr. Lopes had been accepted. Mr. Malan added that it was he who had proposed Mr. Fraga join Mr. Cardoso's economic team, although he

did not say in what capacity.

Many, knowing that Mr. Fraga had been in from New York talking with government officials, had expected to see the 41-year-old fund manager ap-

See REAL, Page 12

## **Apple's iMac Contract** Goes to LG Electronics

SEOUL — Apple Computer Inc. awarded a contract to LG Electronics Co. of South Korea to make its bestselling iMac personal computer, prompting job cuts at three Apple plants, a person at Apple familiar with the situation said Tuesday.

LG, which worked with Apple to develop the trademark translucent plastic casing, will make the egg-shaped computers at sites around the world, the person said. Apple will cut 450 jobs in Cork, Ireland, and an jundisclosed number of jobs at its Singapore and Sac-

ramento, California, plants. Apple is looking to further trim costs and keep inventory low as it unveils new products. While iMac has been a hit, with more than 800,000 sold since its Ang. 15 debut, analysts have been concerned that making it in five colors would cause manufacturing and inven-

tory headaches.
"It shifts the risk off Apple's shoulders," said Kimball Brown, an

analyst at Dataquest Inc. Apple has been looking to trim costs by contracting out production of whole systems or parts for the past few years. Apple uses circuit boards made by Nat-Steel Electronics Ltd. and has used SCI Systems Inc. for manufacturing and

Apple had been making iMacs in Ireland, Singapore and Sacramento.

About 400 of the jobs that were eliminated in Ireland were temporary positions, Apple said. Job cuts at other

sites are expected to be minimal. Apple's decision was made after a review of worldwide manufacturing plants, said the Irish Development Agency. Apple will maintain about 550 of its 1,000 staff at its plant in Cork to continue to make the G3 desktop computer, the agency added.

The iMac has helped increase

**CURRENCY RATES** 

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1.646 — 23197 18526 2.4899 10.7812 464.44 12.878 — 1.6388 a1.4133 112.145 1.5155 6.5995 282.55 7.8196 114.95 188.75 90.90 — 76.25 17.49 N.Q. 14.67 1.5147 2.4833 1.0723 1.3515 — 0.2306 0.5366 0.1936 1.4135 2.322 — 1.2601 0.9346 21.5119 0.4993 0.1801

1.1337 0.6888 1.6002 127.70 1.7079 7.4368 320.78 8.8775 1.393 0.8467 1.9743 160.33 2.0975 9.1683 395.11 10.921

Feb. 2 Other Dollar Values

**European Cross Rates** 

Apple's market share with its ease of use and innovative design. Apple's share of the U.S. retail PC market rose to 6.3 percent in December from 5.3 percent in November, a climb from 2.1 percent in December 1997, according to

ZD Market Intelligence.
"They have an incredible brand and a reat design — it's not technologically difficult to put it together," said Mark Specker, an analyst at SoundView Financial Group.

Analysts also said the decision to contract out manufacturing will free up some of Apple's cash for use in other

'It means you can take cash that was tied up in manufacturing and use it for something else that will have a higher return," Mr. Specker said. For LG Electronics, a unit of LG

Group, a South Korean conglomerate, the pact could improve its net profit by more than a third, analysts said.

Chin Myung Woo, an LG Electronics spokesman in Seoul, declined to comment on whether the South Korean company would now manufacture the entire iMac, instead of just casings and

monitors. "The deal appears to be a win-win arrangement for Apple and LG, at least for the moment," said Jon Chong Hwa, an electronics analyst at KEB Salomon Smith Barney. "Apple can just con-centrate on marketing and after-sale services, while LG can secure jobs at a time

the domestic economy is shrinking." Analysts said if iMac remained popular and the overall 1999 sales reached 2 million units, the deal could translate into a profit of between \$30 million and \$40 million for the South Korean firm.

"The Apple deal will allow LG to make use of its excess capacity and remove pressure to lay off its workers," said Tony Jung, consumer electronics analyst at SG Securities.

Feb. 2

Global Private Banking

## I RULY EXCEPTIONAL SERVICE STARTS WITH CAREFUL LISTENING.



In private banking, as in every business, there are short cuts.

For example, it may make sense to some banks to offer "standardized" service that meets the needs of one and all. More or less.

At Republic we prefer to custom-tailor our services. We assume that no two clients are exactly alike - and careful listening inva-

riably proves us right.

It is why your Republic Account Officer makes sure to obtain a precise picture of your financial goals, time frame, risk acceptance and other key factors. He keeps these constantly in mind as he looks after your interests.

So year after year, you can count on us for the exceptionally complete, timely and personalized service that makes Republic truly unique.



Republic National Bank of



## Republic National Bank of New York

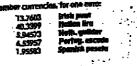
Strength. Security. Service.

A Salra Barde - New York - Geneva - Landon - Beijing - Beirot - Beverly Hills - Boenos Airos - Cayman Islands - Copenhagen - Hintino - Gibraltar Boenosy - Hong Kong - Jalasta - Los Angelos - Lugano - Lacombourg - Manila - Moneo City - Manii - Milan - Monte Carlo - Montevileo - Monteval Moseow - Nassau - Paris - Punta del Este - Rio de Janeiro - Santiago - Sao Paulo - Singapore - Sydney - Taipei - Taleso - Toronto - Zurich

\* Republic National Rank of New York, 1998 2

**Euro Values** Fixed rates of the EMU m

Sources: Bank of Tokyo-Milaubishi (Tokyo): Ro Pance (euro): IMF (SDR), Other pata trom Resid





U triles are promonently fixed

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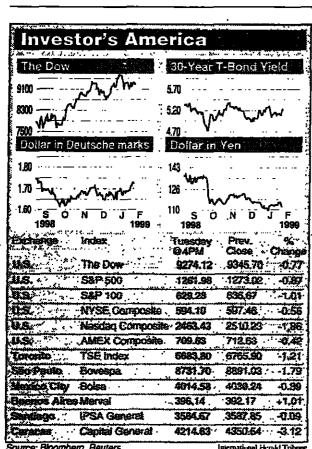
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#### **Very briefly:**

• Long-Term Capital Management LP, the bedge fund that was bailed out in September by 14 lenders, said that Myron sexually explicit commercial sites Scholes and William Krasker, two original partners, were on the World Wide Web on the leaving the five-year-old firm. Both will retain their inground that it would restrict convestments in the fund as limited partners. Mr. Scholes, a 1997
Nobel laureate in economics, will return to writing and occasionally lecturing at Stanford University, and Mr. Kraskgret that this preliminary injunity. er plans to do consulting work.

• The Federal Reserve Board asked U.S. banks to tighten their standards for lending to hedge funds. The Fed said banks should have both internal and independent ways to measure the risks they are taking.

 America Online Inc. agreed to buy Moviefone Inc. for stock valued at \$388 million. Moviefone provides movie show times and sells tickets through a telephone service and the Moviefone.com Internet site.

• Philip Morris Cos., the world's largest tobacco company. plans to close one of its Brazilian factories and cut as many as 1,000 employees, the newspaper Gazeta Mercantil said. Philip Morris decided to shut down the Curitiba factory, which exported 90 percent of its output to Eastern Europe, after economic problems in Russia hurt sales to the region.

• U.S. new home sales fell 3.6 percent in December from a year earlier but were still strong at 987,000 units as low interest rates and optimistic consumers fueled the best year ever for both builders and buyers.

• Worldwide semiconductor sales are expected to rise 15 percent in 1999 to \$154.5 billion after slumping for the past three years, according to the market researcher Dataquest Inc. Much of that increase is forecast to come in the second half as people buy computers to replace machines they fear may fail because of the so-called year 2000 bug.

• Johns Manville Corp., the building-products maker that was devastated by asbestos litigation in the 1980s, said its net income rose 62 percent in the fourth quarter from a year earlier, to \$43.6 million, amid significantly improved demand for building insulation. Bloomberg, NYT, Reuters

# Worries About Higher Rates Hit Stocks

Compiled by Our Staff From Disposches NEW YORK - Stocks fell Tues-

day as higher interest rates caused concern about future corporate profits at the same time investors were taking profits in technology

The Dow Jones industrial average closed 71.58 points lower at 9,274.12, and the Standard & Poor's 500 index finished 11.02 points lower at 1,261.98. The technologyheavy Nasdaq composite index ended 46.66 points lower at 2,463.43. Declining issues outnumbered ad-New York Stock Exchange.
Investors were worried about

higher interest rates in the Treasury bond market, where the yield on the

benchmark 30-year issue has risen sibility that the Fed may shift its Tech Dam lost 111/2 to 20 5/16 after 5.17 percent Monday; the issue was yielding 5.08 percent Friday. The price fell 28/32 point to 100 4/32.

Analysts said the Federal Re
Companies are going to have to rely on strong earnings — and not lower interest rates — to keep their stock price fell 28/32 point to 100 4/32.

Microsoft fell 5 5/16 to 167% on aldson, Lufkin & Jeruene Securities. serve's policy-setting Federal Open

#### U.S. STOCKS

ried about the high valuations of about them tightening, "said Trude Latimer, an independent stock-broker.

The higher bond rates and the pos
The higher bond rates and the pos
Tied about the high valuations of technology stocks, some of which have risen spectacularly despite showing little or no profits.

E\*Trade Group, an on-line brokerage, fell 4 3/16 to 58/4, and the high valuations of technology stocks, some of which have risen spectacularly despite that the Japanese will not little bit ahead of themselves at times, "said W. Shannon Reid, at Showing little or no profits.

E\*Trade Group, an on-line brokerage, fell 4 3/16 to 58/4, and the high valuations of technology stocks, some of which have risen spectacularly worned the high valuations of technology stocks, some of which have risen spectacularly despite times, "said W. Shannon Reid, at Showing little or no profits.

E\*Trade Group, an on-line brokerage, fell 4 3/16 to 58/4, and the high valuations of technology stocks, some of which have risen spectacularly despite times, "said W. Shannon Reid, at times," said Group, "Markets can't go up every day and all the time."

Wilson, a trader at Mellon Bank.

Yields on Japanese long-term Market Committee, which will finmight show a bias toward raising interest rates. "The fact of the matvancing ones by a 2-to-1 ratio on the
New York Stock Exchange.

Investors were worried about them tightening," said Trude
Latimer, an independent stock-

"We're at a tough transition

point," he said because while generally strong, "most investors don't have a lot of coafidence" in

passed in November, was designed

to be more narrow. Instead of trying

focuses on commercial Web sites.

The law requires purveyors of

minors from gaining access to their

16 basis points in the past two days. stance have investors concerned that the computer distributor warned its The yield rose to 5.24 percent from companies are going to have to rely earnings would lag forecasts be-

tify its price/earnings ratio of 66. The stock rose 117 percent in the increases in Japanese bond yields fourth-quarter earnings reports were generally strong. "most investors 25 percent gain in the S&P 500.

But Dell Computer, the most ac-

## **Asian Giant** In Newsprint

The Associated Press MONTREAL — Abitibi-Consolidated Inc. said Tuesday it had formed a \$1.35 billion joint venture with Norske Skogindustrier A/S and Hansol Paper Co. to create the biggest newsprint and paper company in continental Asia.

The Canadian, Norwegian and South Korean companies will each control a third of the venture, which joins the Asian operations of the three partners.

Abitibi-Consolidated said the Asian deal, along with other recent moves, will help lower the company's costs and making it potentially more profitable in a weak global market.

"With our partnership in this venture, our recent acquisition of the Snowflake, Arizona, mill and our strategy to retire high cost machines, Abitibi-Consoldated is advancing on its objective of holding only a portfolio of low-cost assets and improving returns to shareholders," said Im Doughan, the president.

Abitibi-Consolidated, one of the world's largest newsprint makers, operates 19 mills in North America and in Britain.

The tentatively named Pan Asian Paper Co., headquartered in Singapore, has four modern mills in South Korea, China and Thailand and an annual production capacity of 1.425 million tons. The company has about 20 percent of the market in the Asian-Pacific region.

## **Bond Yields** In Japan Help Yen to Rise

Ready

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NEW YORK - The dollar fell against the yen Tuesday as sharp increased expectations that Japa-

nese companies would repatriate yen before Japan's fiscal year ends

#### FOREIGN EXCHANGE

he was not dissatisfied with the recent rise in long-term interest rates. The dollar fell to 112.145 yen in 4 P.M. trading on Tuesday from 115.05 yen Monday.

The keys underpinning the move down in the dollar are the constant and building repatriation concerns," said Lisa Finstrom, currency analyst at Salomon Smith Barney.

Comments from Sakakibara, Japan's vice finance minister for international affairs, also weighed on the dollar. Mr. Sakakibara said the U.S. economy was too strong and would slow down later in the year. He also said the Japanese economy would bottom out in the middle of this year and that, if the U.S. economy did remain the sole engine of world growth, it was likely to raise the issue of protectionism.

"The comments from Sakakibara seem confrontational." Ms. Finstrom said, adding that trade relations could become more strained. U.S. Treasury Secretary Robert Rubin said Tuesday the U.S. supported a strong dollar, and he vowed not to use the dollar as a tool of trade policy. U.S. currency policy remains "absolutely unchanged," he said. In other trading, the euro was

little changed against the dollar on expectations that the European Central Bank would leave interest rates on hold Thursday, U.S. Federal Reserve policymakers, who met Tuesday and will resume meeting Wednesday, are also expected to keep rates unchanged. The euro rose to \$1.1341 from \$1.1338 on Monday. and the pound fell to \$1.6388 from \$1.6412. The dollar fell to 1.4133 Swiss francs from 1.4217 francs.

(Bridge News, Bloomherg)

## Judge Blocks Internet Sex-Sites Law Child Online Protection Act Is Found to Violate Free-Speech Rights

that government lawyers were "re-

The injunction means that the gov-

heard and decided. Such injunctions

are granted on the likelihood that the

clues to a court's views.

viewing" the judge's decision.

By John Schwartz Vashington Post Service

WASHINGTON - A federal dge in Philadelphia has blocked a law designed to protect minors from Despite the court's personal re-

gret that this preliminary injunction will delay once again the careful protection of our children. I without hesitation acknowledge the duty imposed on the court and the greater good such duty serves," wrote U.S. District Judge Lowell Reed Jr., who was appointed to the bench in 1987 by President Ronald Reagan.

Judge Reed's order imposed a preliminary injunction against the Child Online Protection Act and stopped the law from taking effect at midnight Monday, when a tempo- Shaman to Drop Drug Lines rary restraining order he granted in November would have expired.

"Naturally, we're delighted by the decision," said Christopher Hansen, staff counsel for the American Civil Liberties Union, which is

lenging the law.

"We've always said these cases are about speech," he said. "The government kept arguing that these cases are about dollars and cents."

side of speech. The Web sites de- istration told Shaman it would recause of the risk of driving certain to treat diarrhea in AIDS patients. commercial Web sites out of busi-

Tuesday, Feb. 2

s per bushel 2777; +14 [54.239 22314 +14 67.621 228 +14 71.407 234 +14 18.300 2494 +17 18.902 253 +14 3.902 253 +14 3.34

#### gress to protect children from adult found guilty of violating the act materials found on-line. The first, could be fined hundreds of thouthe Communications Decency Act, sands of dollars in fines and imwas passed in 1996 and struck down prisoned for as long as six months.

ness but the risk of driving this particular type of protected speech from the marketplace of ideas, 'he ruled. Chris Watney, a spokeswoman forthe Watney, a spokeswoman forthe Watney.

for the Justice Department, said only to minors via computer nerworks. that government lawyers were "re-

erument will not be able to enforce to regulate the entire Internet and its

the law until the challenge to it can be patchwork of varied technologies, it

challenge will be successful, so their material that would be "harmful to

language is read carefully for subtle minors" to take steps to keep

is the second major attempt by Con-credit-card number for entry. Those

The Child Online Protection Act sites, for example by requiring a

New York Times Service LOS ANGELES — Shaman

Pharmaceuticals Inc., a biotechnology company that relied on tribal healers to provide leads for new eading a coalition of groups chal- drugs, will cease its pharmaceutical operations and lay off 60 people, or percent of its work force.

Lisa Conte, Shaman's chief exases are about dollars and cents." decided to cease drug development
Judge Reed came down on the after the Food and Drug Admin-

thought, based on previous discussions with the agency, that it had already completed sufficient testing. The company, based in South San Francisco, California, will now try to enter the herbal diet supplement business, which is growing rapidly and is far less heavily regulated.

Shaman said it would move assets ecutive, said Monday the company into the privately held Shaman Botanicals, a subsidiary that might be spun off someday.

Shaman's stock, which tembled to serve the highest possible level of quire additional clinical trials before 40.625 cents Monday from 87.50 protection by the courts, "not be- approving the company's first drug, cents Friday plummeted again Tuesday and was quoted in late trading at She said the company had 21.875 cents, down 18.75 cents. :

High Low Lodest Chice Colin

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bl. dollars per bbl.
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12.45 12.25 12.41 -0.05 \$4,658
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## **REAL:** Brazil Ousts Bank Chief

### Continued from Page 11

pointed to a lower-ranking post. Fraga's appointment was "a confirmation of the govern-

ment's willingness to go by the book." He said the government appeared to be steering away from any hint of drastic solutions to Brazil's dire economic prob-lems, such as confiscating private bank accounts, which had

been rumored last week.

"It's a confirmation of what Malan said, that there's no way
this government will resort to magic to get out of its prob-

An IMF negotiating team has been discussing a range of issues with Brazilian officials, including the financial standing of Brazilian states, new rules for government intervention in currency markets and new targets for inflation and interest

Opposition leaders criticized the appointment, saying the government had delivered the nation's economic policy to international speculators.

David Fleischer, a Brasilia-based political consultant, said it hardly helped that the appointment was announced shortly after Mr. Fischer's arrival in Brazil. "It was a very inopportune time because a lot of people jumped to the conclusion that the IMF had told Brazil to replace Lopes," Mr.

## ■ Wall Street Praises 'Market-Based' Decision

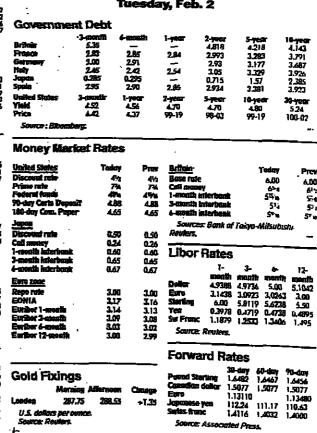
Wall Street analysts said the appointment of Mr. Fraga had sent a positive signal to global markets, Reuters reported from

They said the appointment meant that Brazil would take market-based approaches to fix its daunting financial prob-

Glenn Grossman, senior managing director at Cantor Finzgerald, called Mr. Fraga "an outstanding appointment."

He added, "I think that having worked with Soros and that community is a plus, a huge plus."

#### INTEREST RATES



# U. S. STOCK MARKET DIARY Tuesday, Feb. 2 **Most Actives** NYSE Late Lord Co. 44 450 a 500 a 5 Today 4 P.M. 1534.41 669.25 241.96 129.10 1261.98 629.28 SOYHEAN MEAL (CBOT) 100 lond-dollars per lon Mor 9º 136.59 132.60 135.80 +3.20 59.651 Mor 9º 135.50 135.00 135.00 +3.40 28.298 Aug 9º 135.50 135.00 136.00 +3.40 28.298 Aug 9º 137.00 138.30 138.00 +3.40 28.298 Aug 9º 137.00 138.30 138.00 +3.00 7.007 Oct 9º 140.50 138.00 140.00 +3.30 24.71 Est. soles 20.000 Mores seles 20.077 Nasdag **AMEX** Dow Jones Bond NYSE Nasdag Prev. 1,386 1645 514 3565 83 56 Market Sales **AMEX** REVERSE STOCK SPLIT Q .075 2-24 3-15 Q .46 2-12 2-24 C .075 2-5 2-24

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## INTERNATIONAL FUTURES

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To Our Readers

Prices from the Buenos

Aires stock market were not

for the World Economic Forum, the

annual meeting of some of the

world's movers, shakers and deep

A small group of consultants and

executives based in Europe spent the

past year trying to answer it. This

week they presented their "Euro-

pean Future Readiness Index," rank-

ing the 15 countries in the European

To add context, the report also

signed ratings to the United

The countries were evaluated on

Union on how prepared they were.

tates, Japan and Canada.

Pilots' Stake

In Air France

Bloomberg News

PARIS - Air France said Tues-

day its pilots would own between

6.3 percent and 7.4 percent of

the government sold a minority

The government plans to sell one-

fifth of the carrier in the initial pub-

lic offering this month in addition to

shares it will sell to employees.

stake in the company this month.

least three years.

thinkers that ends Wednesday.

Denmark came out on top, earnscale of 100) because of strong eco- ized crime. nomic performance, low health-care costs, a low crime rate and a small percentage of people living below the poverty line.

Austria came in second with a score of 87.2, primarily because of good marks for environmental protection and high youth employment. Ireland, with an 87.0 rating, placed

third and drew plaudits because "it

'laggard' because it suffers from high unemployment and a business ing top marks (an 87.3 rating on a environment hampered by organ-

> Canada, the United States and Japan, the non-European members of the Group of Seven industrial nations, ranked in the middle.

and Japan scored 83.5. Many would have expected the Anglo-Saxon economies to score Schumacher, chief executive of the higher," said David Morrison, a semiconductor division of Siemens combines the highest growth rate in World Economic Forum staffer who AG of Germany.

Mr. Morrison described the report as "a first cut aimed at stimulating debate." He said there were "a lot of subjective criteria" on the list but said that by the summer, "we will

have a new and improved version." Others who helped coordinate the study were Hubert Joly, president of Canada had an 85.5 rating, the Electronic Data Systems Corp. in United States followed with 84.4, France: Fields Wicker-Minnin, a vice president at the consulting firm A. T. Kearney in Britain, and Ulrich

## Recession in Asia Creates a Loss at KLM

Traffic Fell in 3d Period as Rivals Quit the Pacific and Jammed Atlantic Routes

Compiled in Our Staff Form Disposite

AMSTELVEEN, Netherlands -KLM Royal Dutch Airlines NV posted a loss for its third quarter Tues-Europe's third-largest airline after day of 29 million guilders (\$14.9 million) and said it was a sign of the battle with recession in Asia.

Some 78.8 percent of the pilots The loss reverses a profit of 46 agreed to take a pay cut in exchange million guilders a year earlier. Sales for equity stakes, the company said. fell to 3.14 billion guilders from It said the concession would save

3.23 billion guilders.
KLM said its North Atlantic serthe airline 250 million francs (\$43.1 million) in the first year and an vices had suffered because many average of 235 million francs a year other airlines had switched their after that. The pact is expected to flights from Southeast Asian routes shield the airline from strikes for at to the North Atlantic as a result of the economic troubles in Asia.

The company said performance in mainland Europe was "relatively strong," citing improved labor productivity and cost controls.

Kuala Lumpur

KLM did not give details about on North Atlantic routes. how its cost-cutting program was

KLM relies more on long-distance routes and cargo operations than do rivals such as Lufthansa AG, whose profit is helped by a strong domestic market.

The carrier said its load factor, or percentage of seat and cargo capacity filled, fell 2.4 percentage points to 75.1 percent in the three months that ended Dec. 31.

Cargo trafficfell 2 percent in the quarter. KLM, which generates about 15 percent of its sales from cargo, said recent reports had been 'more positive," as cargo traffic rose I percent in December.

KLM generates 40 percent of cargo traffic in Asia and 28 percent

KLM said "global economies re-mained weak" in the third quarter but did not discuss what this would

mean for KLM's prospects after the end of its current financial year March 31. "The outlook is still difficult for KLM; cargo is still depressed," said

Dick de Haan, an analyst at Gestion NV in Amsterdam. KLM said its results also had been hurt by a six-week strike at Northwest Airlines, its U.S. partner.

The airline also announced that European Union antitrust investigators had extended an investigation into its planned acquisition of a majority stake in the Dutch charter carrier Martinair Holland NV.

(Bloomberg, AP)

# Gain Edge in Italy Phones

MILAN - Olivetti SpA and Mannesmann AG said Tuesday that their sweetened bid for Cellular Communications International Inc. had succeeded, giving them a tighter grip on Italy's booming mobilephone market.

Olivetti and Mannesmann, the second-largest phone companies in Italy and Germany, said they had obtained 55.4 percent of CCL a U.S. company whose sole asset is a 10.3 percent stake in Omnitel Pronto Italia, Italy's third-ranking mobilephone operator.

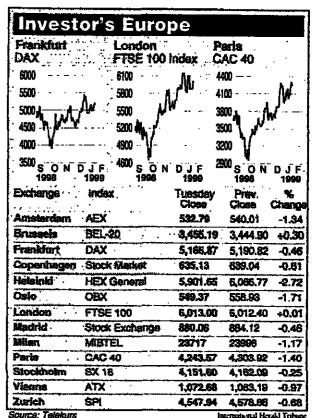
This requires CCI's remaining holders to sell at the \$80-a-share price the two phone companies paid for the 55.4 percent stake.

Analysts estimate Omnitel's value between \$20 billion and \$30 billion, compared with the \$17.5 billion valuation implicit in the price Olivetti and Mannesmann paid for CCL

Olivetti and Mannesmann were eager to clinch the friendly takeover in the rapidly consolidating mobilephone sector, which last month saw Vodafone PLC snap up AirTouch Communications Inc. of the United

The Italian and German compa nies, which already control Omnitel, wanted to take over CCI because they wanted to increase their profit from the cellular network. They raised their offer last month after CCI investors rejected a bid of

\$65.75 a share as too low. Olivetti's shares closed in Milan at 3.40 euros (\$3.85), up 0.02. Mannesmann's shares finished in Frankfurt at 131.20 euros, up 1.70. (Reuters, Bloomberg, Bridge News)



#### Very briefly:

• Bank Julius Baer Holding AG's 1998 net profit rose 49 percent, to 302.1 million Swiss francs (\$212.5 million), aided by a sharp rise in assets under management. Net interest income was up 14 percent, to 139.7 million francs.

 Eurotunnel PLC, the British-French operator of the Channel Tunnel, cut its debt by 2 percent by refinancing £134 million (\$220 million) of debt. It said it would book a one-time profit of £90 million related to the refinancing.

• Britain's accounting regulator ordered Coopers & Lybrand LLP, a New York-based accounting company that merged with Price Waterhouse last year, to pay fines and costs of £3.5 million for its failure to reveal fraud committed by the late media tycoon Robert Maxwell.

#### **WORLD STOCK MARKETS**

Tuesday, Feb. 2 Prices in local currencies in euros for EMU countries. Amsterdam 17.85 99.00 35.45 35.05 46.75 77.00 9.15 9.15 9.10 44.90 31.95 9.30 34.40 31.95 9.30 34.40 31.95 7.50 33.00 5.60 13.91 23.95 20.00 8.20 50.00 7.05 34.50 7.58 23.20 7.50 5.60 14.05 12.00 19.88 8.50 7.35 7.90 24.00 7.30 31.50 5.40 13.80 19.70 7.90 48.00 6.83 35.00 7.45 22.00

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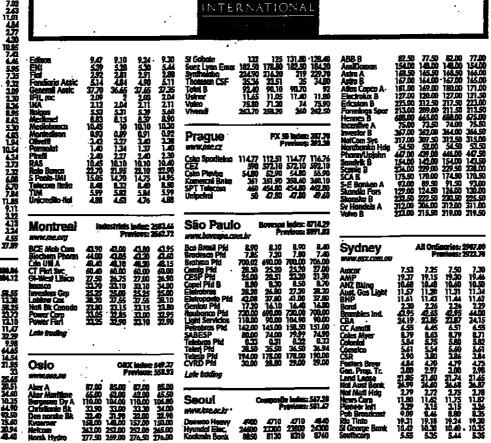
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It is clarified that this extension does not alter any to the other deadlines determined in the Invitation and in the Prequalification Documents.

The Prequalification Documents may be purchased in the amount of NIS 4,000 (+VAT) from Mekorot Water Co. Ltd. 9 Lincoln Street Development Department Hall 7th Floor, Tel Aviv - Israel 61201

Telephone: 972-3-6230772 (Mr. Bar-Levav) - Facsimile: 972-3-6230598 between 08:00 and 14:00 hours on regular working days, from the date of advertisement up to February 7th 1999; inclusive. Applications shall take note that requests for clanifications of the Prequalification Documents will be accepted by Mekorut only up to February 15th 1999, and that all deadline dates in the Prequalification Documents run from lanuary 6th 1994

At the time of purchasing the Prequalification Documents, the name, address, telephone and facsimile number of the Applicant as well as the name of the person Mekovot may contact must be provided All applications for prequalification must be completed in English and be submitted to the above address no later than noon : 12 00 Israel local time! on **April 8th 1999**.

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#### INTERNATIONAL INVESTING

## TRADING: 'High-Tech Gambling' With Stocks

Continued from Page 11

uments and interviews with dozens of current and former traders, regulators and lawyers.

Among other problems, these traders and lawyers say, some companies routinely extended credit beyond Federal Reserve Board limits creating anomalist desired and limits creating anomalist desired and limits creating anomalism of the said. limits, creating enormous debt-driven buying power for investors. The firms also establish pools into which they place customers' capital, allowing hyperkinetic traders to use not only their own money as the basis for trades but also the capital of others in the pool.

Securities regulators in Texas and Massachusetts are leading a crackdown on these firms and have recently filed several lawsuits. vestors to seek arbitration. But securities law-firms and have recently filed several lawsuits. Florida, Pennsylvania and Colorado are expected to announce similar cases soon. State regulators from all over the country are swapping ideas about how to address the problems through a new day-trading task force.

For individual investors, day trading can be "very alluring," said Matthew Nestor, chief of enforcement for the Massachusetts Securities Division, "It links the two biggest trends of the 1990s; the Internet and Wall Street,"

The convergence is challenging securities regulations written long before an army of individual investors hit the Internet. Now, one in four trades is executed on-line, prompting the National Association of Securities Dealers and regulators to reconsider their rules.

Day-trading firms differ from most brokerage concerns because they often do not execute customer trades; rather, they set up computers and Internet connections in their themselves. The firm collects a commission on each trade.

line investing and new technology designed to removely execute trades in seconds. Even ingiving the firm \$386,000 in commissions. these firms and their high-speed access

More mainstream on-line brokerages, such as Charles Schwab & Co.'s e.Schwab service or E\*Trade Group Inc., differ from day-trading firms: their customers have to wait minutes - not seconds - before their electronically entered trades are executed. The mainstream companies also do not pool their customers' capital or let customers borrow closing their connections to day-trading firms. excessive amounts to give them more trading

muscle, executives said. James Lee, president of Momentum Se-

to 3,000 to 4,000 active traders every day plus Populism Reigns thousands who dial in from their homes.

Going head-to-head with brokerage giants such as Merrill Lynch & Co. and Goldman,

Complaints of abuses are rising in tandem. Last month, the chairman of the Securities and as contributing to a federal savings Exchange Commission, Arthur Levitt Jr., disclosed 330 complaints about on-line investing, including stories of day traders who had lost student-loan money, second mortgages and retirement funds. He encouraged small inday traders typically sign away their rights.

"It's very hard for people to win a case Mr. Cunning — not the so-called smart when they go in to gamble," said William money on Wall Street — are the rea-Shepherd, who is representing Ms. Richardson in an arbitration claim before the NASD.

The Houston firm where Ms. Richardson opened her account denies any responsibility. while the trader who handled her account last year blamed Hahna Global Management, a Los Angeles firm, for "unauthorized trad-ing." Hahna denies responsibility, ascribing whether they reflect "irrational exing." Hahna denies responsibility, ascribing Ms. Richardson's woes to "gray areas" in securities laws.

Many day-trading brokerages are scrupulously stepping up customer education and trying to follow existing rules. But documents and interviews suggest that multiple problems

pervade the industry: · Excessive borrowing. Though the Fed limits individual investors to borrowing \$1 for been evolving for some time, starting offices and let the clients come to trade for every \$1 in cash they invest in stocks, many with the removal of fixed commisday-trading firms routinely extend credit in sions on stock trading in the ratios of 10 to 1 or greater. In January, Mas-mid-1970s and gaining steam with the Such companies have proliferated over the past few years, tracking the explosion of on- that allegedly used \$32,000 in cash to generate the tirement plans such as the individual

vestors who now trade from their home or office computers and want to engage in day trading generally need to be associated with the couraged individuals. Some float money between fictitious accounts and "churn" -repeatedly buy and sell stocks - to generate Internet into everyday life.

commissions. • Little disclosure of risk. Some firms ad- on-line brokerages that offer trading vertise simplistic ways to get rich quick, even costs as low as \$8 a pop, or about though court documents, arbitration claims and interviews show that most people who engage brokers used to charge. in day trading lose money. Some day-trading "schools" also downplay risk without dis-

• Inappropriate clients. Some brokers are ignoring 'know your customer' rules, which require them to screen clients' resources and from earlier generations, who lived in

# **INVESTORS:**

Continued from Page 1

ting the maximum \$4,000 annual con-tribution for himself and his wife into individual retirement accounts as well

He owns a broad array of mutual funds, from high-tech issues to large-cap growth stocks. He has had his share of losses, but his overall trend is up. he says.

Economists and market experts say investors such as Mrs. Wilkinson and sons behind the greatest bull market in history and are among the forces driving what is already the longest U.S. peacetime economic expansion ever.

The Federal Reserve Board chairman, Alan Greenspan, may fret about uberance" as he did two years ago. and 3,000 points ago in the Dow Jones industrial average.

But the 43 percent of adult house-holds that now have money invested in stocks are having too much fun to

The trend of populist investing has

ing ahead with the expansion of the

The World Wide Web is full of one-tenth the amount that full-service

Behind the numbers are real people, with real aspirations and apparently an almost limitless faith in the power of stocks to make them rich.



Cathy Wilkinson, one of the many new investors driving the U.S. market, checking on her stocks on-line as her children watch.

the economy, powering a binge of consumer spending that has been rising at a rate faster than income growth and helping to produce the surprisingly robust 5.6 percent annual growth rate in U.S. gross domestic product in the fourth quarter of last

Some market gurus and economists now half-jokingly say the market is the economy. They may just be right. While the nation's GDP is around \$8. trillion annually, the current value of the stock market exceeds \$14 tril-

People have become owners of the system." said Dan Carper, the partner in charge of marketing at Lord, Abbett & Co., a New crease. money-management York-based

As people of all ages become more aware of the stock market, they become more comfortable with its risks, analysts say. Along with investors

The thirst for stocks is even driving turn in the market a quarter of a century ago are the baby boomers, many

scrambling to make up for lost time. This herd-like behavior, of course, scares the daylights out of many long-term professional investors and economists. When the Dow fell nearly 20 percent last summer, some of them saw it as a much-needed correction that would bring investor

expectations back down to earth. But so far, the individual investor experts. Last year, after a period that economists classified as the worst global financial crisis in a half-century, the Dow recorded its third consecutive double-digit annual in-

Showing the faith that is charac-teristic of the new breed of individual investors, Mrs. Wilkinson said she would stay the course if the market

"I'd still hang in." she said. "I

- Nickla Surge RICH: Money's Dark Side

Continued from Page 1

in Personality and Social Psychology

less we find them there. Mr. Ryan-said. The satisfaction has a short.

half-life; it's very fleeting.

Moreover, the detrimental effect of extrinsic goals seems to hold regard-less of age or even level of income: A preoccupation with money bodes ill-regardless of how much money one already has. The effects also appear not to be limited to any one culture.

Mr. Kasser and his associates have now collected data from subjects in 12 countries and the West Bank. The countries are: The United States, South Africa, the Dominican Republic. Spain, Germany, Romania, Bulhas hung tough — and behaved in a garia, Egypt, India, South Korea, way that continues to confound the China and Hong Kong. The fact that pursuing wealth is psychologically unhelpful and often destructive, he; reports, "comes through very strongly.

in every culture I've looked at." Affluence, per se, does not nec-essarily result in an unsatisfying life. Problems are primarily associated with "living a life where that's your focus," Mr. Ryan said. Nevertheless. the negative psychological picture does seem to be associated with the. extent to which people believe they

Bulletin and still more papers on the way, the researchers sketch an increasingly bleak portrait of people who value "extrinsic goals" like money, fame and beauty. Such people are not only more depressed than others, but also report more behavioral problems and physmore neutrioral productis and physical discomfort, as well as scoring lower on measures of vitality and self-actualization. While not every study has investigated the full list of effects, the pattern that emerges from the re-search project as a whole is remarkably consistent.
Mr. Ryan and Mr. Kasser said their studies provided a look at the "darkside of the American dream," noting that the culture in some ways seemed. to be built on precisely what turned out to be detrimental to mental health. Americans are encouraged to try tostrike it rich, but. "the more we seek! satisfactions in material goods, the.

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curities in Houston and head of the Electronic expertise. "Many take anybody with some the shadow of the Great Depression don't think I'd sell anything right are already on the way to attaining, under age 30 who are too young to Traders Association, estimates there are 70 cash." said Denise Voigt Crawford, a Texas and were largely indifferent to Wall extrinsic goals. remember the last protracted downday-trading locations nationwide playing host securities commissioner. February 2, 1999 INTERNATIONAL FUNDS by fund groups to: STANDARD & POORS ANCROPAL (\* 33-1 40 28 09 09 e-ma Advertisement To receive iree daily quotations for your funds subscribe at: e-funds@iht.com Katy Houri: Fax (33-1) 41 43 92 12 or e-mail: funds@iht.com //HT/FUN/funds.html 244 CREDITAINSTALT AG

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## RICH: Money's Dark Side Continued from Page 1

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Affluence, per sel does not te essarily result on an un-no type & Problems are primarily assessed freiduid: with 7 hving a life when this w nic the feeds," Mr. Ryan said Neverthers the meganic psychological pide does seem to be assectated with a extent to Which proper belove is graphs are already on the way to alone short stantas

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February 2, 1999

Bond Yields Surge as Tokyo Signals Free Rein

TOKYO - Yields on Japanese highest levels in 19 months Tuesday after Finance Minister Kiichi Miyazawa suggested that he was not concerned that rising yields would damage the economy.

Bond prices plunged, sending yields higher, after Mr. Miyazawa said, "It's O.K. to leave long-term interest rates to be moved by the market for now."

The price of the benchmark No. 203 bond maturing in 2008 fell 2.005 points, or 1,002 yen (\$8.71) for each 50,000 yen bond, to 96.145 points, pushing its yield up to 2.30 percent from 2.03 percent. At one point the yield hit 2.31 percent, the highest for any benchmark Japanese issue since July 1997.

SingTel Offer

Is Withdrawn

Bloomberg News

Telecommunications Ltd., the

island state's dominant phone

company, backed off Tuesday

from an aggressive loyalty dis-

count program it offered its mo-

bile customers Friday.

The move came after the

Telecommunication Authority

of Singapore said the company

had announced the plan without

regulatory approval of certain

details such as its effective

Singapore Telecommunica-

tions, or SingTel, tried to outdo MobileOne Asia Pte. in a price

war by unveiling Friday a "per-manent loyalty" discount pro-gram for mobile-phone custom-

ers. The regulator is seeking a

response from SingTel and said

it may take action against the

SingTel lost its mobile

monopoly to MobileOne Asia.

A third cellular operator, Star-

Hub Pre., will start operating in

phone company.

April 2000.

dates.

SINGAPORE - Singapore

its economy out of recession.

the securities investment planning

department at Dai-Ichi Mutual Life

under pressure since December.

market by saying it would cease in

January to buy bonds in the sec-

ondary market. At the same time, the

government said it planned to sell a

the financial year that begins April 1.

Japan needs to sell more debt to pay

Japanese bond prices have been

insurance Co.

ernment to do something to cap the ning. Some economists are forecastconfirmed they won't do anything," said Hiroshi Sakuma, a manager in

to 3 percent or 4 percent this year. strategist at Paribas Capital Markets in Tokyo, suggested that an adverse economic impact could be avoided temporary spike. If rates rose much when the government stunned the higher than 3 percent, he said, investors would probably push them back down by pouring money into the higher-yielding instruments.

"The yield would rise, and then it would come down," he said. record 71.13 trillion yen of debt in "There will be a shock, but it's not like they will keep rising. They will for stimulus plans aimed at pulling come down."

Kaoru Yosano, minister for in-Concern is growing that rising in-ternational trade and industry, said terest rates could choke off a re-he was not concerned about the rise

"Many had expected the gov- covery in Japan just as it is begin- in yields. "Many experts say that the planned issue of government government bonds rose to their rise in yields, but now we've been ing a rise in long-term interest rates bonds will be absorbed smoothly in the market." he said. "I think there But Xinyi Lu, fixed-income will be no major negative impact."

But some economists worry that with the future of the economy still uncertain, politicians seem to be if higher rates turned out to be only a sinking into a feeling of complacency, now that they have secured a giant bank bailout and a \$200 billion package of lending and spending to stimulate the economy.

"In Japan, crisis is inevitable because without action, there will be crisis, and without crisis, there can be no action," said Andrew Smithers, a longtime Japan analyst who runs his own economic advisory business. "It's amazing how big a

crisis it has to be in Japan. (Bloomherg, AFX, NYT)

## U.S. Takes Rift With Seoul to WTO

By Don Kirk

SEOUL — The United States more beef and slashing the current filed a complaint Tuesday against South Korea with the World Trade Organization for trying to hold down U.S. beef imports.

Robert Fisher, deputy U.S. trade representative, said the United States was asking the organization duction in beef imports last year. for arbitration on "unfair" trading practices that have been exacerbated by a steep decline in imports as a result of South Korea's prolonged

Mr. Fisher called on Seoul to live up to earlier pledges for importing

tariff of 42.3 percent. The United States alleges that the government, by subsidizing South Korea's meat producers and discriminating against foreign products, caused a 47 percent re-

While Mr. Fisher was informing South Koreas of the U.S. decision to go to the WTO on beef, Finance Minister Lee Kyu Sung, predicted economic crisis. South Korea's that the South Korean economy trade surplus with the United States would grow 2 percent this year.

Mr. Lee characterized the forecast as "a conservative position" that was below the Bank of Korea's forecast of 3.2 percent growth in the

'Recovery could occur more quickly than expected," he said, citng analyses that showed the nation on the upswing."

Mr. Lee's estimate jibed with the concluding a quarterly review here. about half of the loans with the

'Things are better than we thought," said Bijan Aghevli, leading the team as deputy director of the would have little impact on foreign IMF's Asia and Pacific department.

# Boeing Rejects PAL's Restructuring Plan

MANILA — Boeing Co. has op-posed the rehabilitation plan for Philippine Airlines Inc., calling it defective for sidestepping its own claim as an unsecured creditor, according to documents obtained Tuesday.

Boeing said it had claims for damages for what it said was a

propose any settlement or payment of Boeing's substantial claim for damages under the canceled portions of a purchase agreement," Boeing said.

Boeing said PAL agreed breach of an agreement by PAL to 400 aircraft worth about \$900 mil- would raise to stay in business.

buy seven Boeing 747-400 aircraft. lion. In December 1997, PAL's man-"The rehabilitation plan does not agement approved the cancellation of four aircraft scheduled for delivery from 1999 to 2001. Boeing said it did not accept the cancellation.

Boeing also called PAL's rehabilitation plan "moot and academic" for not identifying sources of the September 1996 to buy seven B747- \$150 million the company said it

## China Unveils Investor's Asia Overhaul of Trust Firms

SHANGHAI - China rolled out plans Tuesday for overhauling its 240 trust and investment corporations, announcing that five more of the troubled financial institutions would be closed by the end of the month.

The official China Securities News reported that the Communist Party Central Committee and the State Council had demanded the "cancellation" of China Hualong TIC, China Great Wall TIC, China Oriental TIC, China Xinda TIC and People's Insurance TIC of China.

In a related report, the Guangzhou Daily said the five companies' se-curities operations would be merged into a single new company.

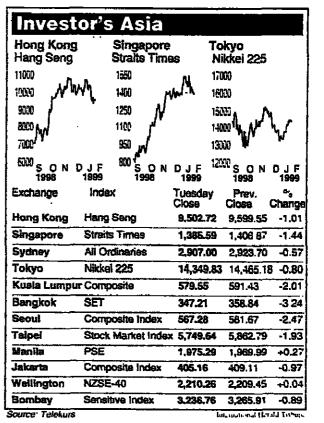
China's policies on its troubled trust industry are being closely watched by foreign creditors, who are owed as much as \$10 billion by the companies.

China's second biggest trust company, Guangdong International Trust & Investment Corp., was shut down by the central bank in October after it failed to meet its foreign-debt obligations. Audits by the liquidation committee have since found that GITIC, as the company is conclusion of a team from the In- known, had run up foreign debts of ternational Monetary Fund, which is \$1.9 billion but registered only

> central bank. creditors because the five compa nies that are to be closed had mostly domestic debt.

There will not be an impact similar to that caused by Guangdong International Trust & Investment Corp.," an analyst at the Bank of China said.

Last week, the central bank governor, Dai Xianglong, said the bank had altered its original plans to shrink the 239 remaining trust companies to only 30 or 40. Instead. there will be fewer mergers but tighter supervision of the industry, he said. (AFP. Bloomherg. Reuters)



#### Verv briefly:

• Iran is seeking to delay payments on \$118 million owed to 16 South Korean companies, including units of the country's top five conglomerates, for imports purchased in 1993, citing dwindling oil revenues, South Korean trade officials said.

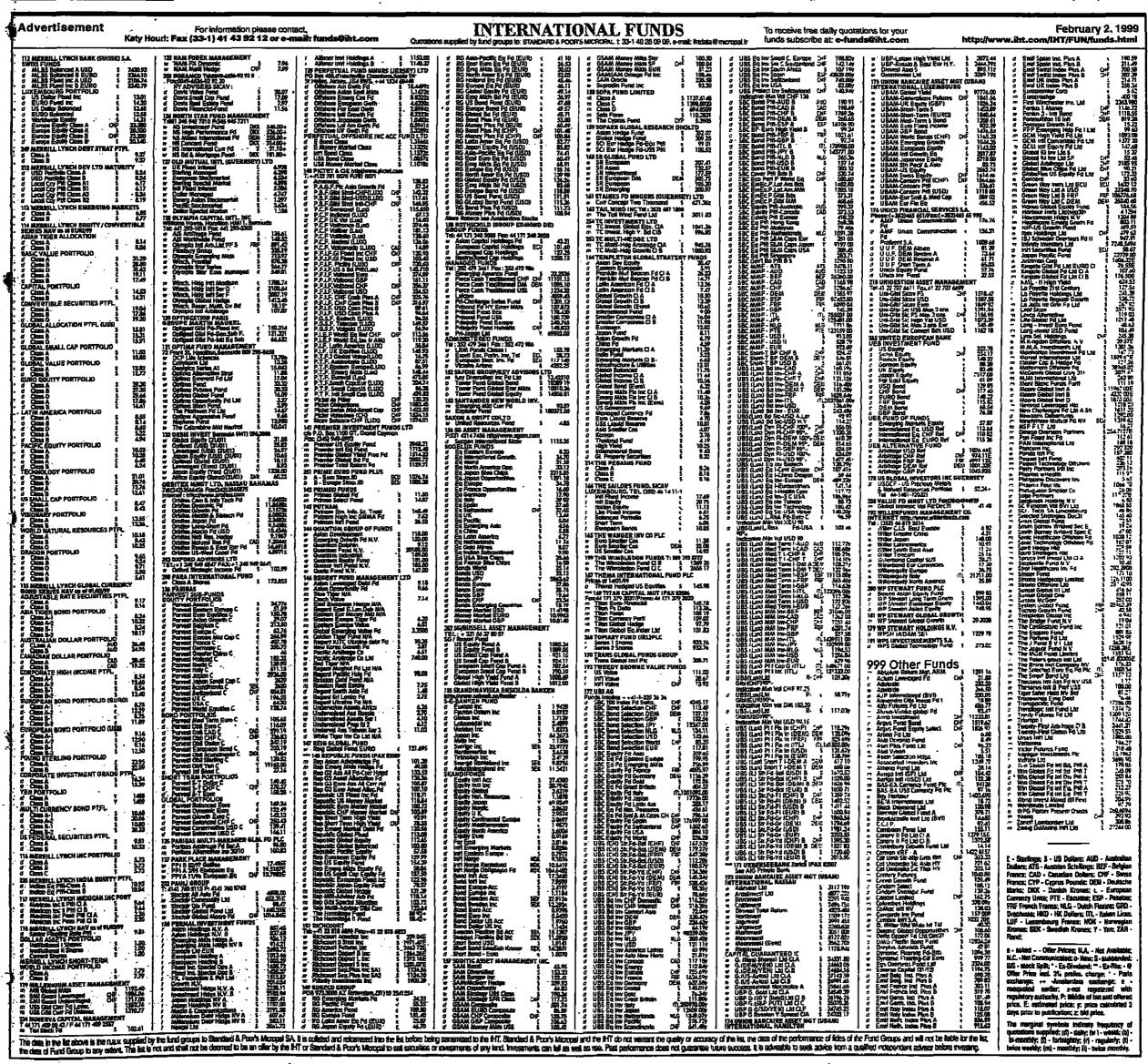
 Indonesia's inflation rate doubled to 2.97 percent in January from the previous month, said Tanri Abeng, the minister of state enterprises.

 Indonesian authorities plan to form a commodity exchange in August that is expected to become operational by the end of the year or early next year, Industry and Trade Minister Rahardi Ramelan said. Coffee and palm oil would be the first commodities traded.

• The Philippines' industrial output fell 24.4 percent in November from a year earlier, and the value of production fell 18.1 percent, the National Statistics Office said. The agency said the drop had been due mainly to reduced output in petroleum products, food manufacturing, electrical machinery and transportation equipment.

 Bank of Taiwan, the island's largest commercial bank, cut its prime lending rate to large corporate customers to 7.20 percent from 7.25 percent in response to an interest-rate cut Monday by the central bank.

• Kuala Lumpur's stock exchange reprimanded four publicly traded companies and fined three of them for breaching its rules, including late publishing of annual reports. Bloomberg, Bridge News, AFP



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# S PORTS

## **Taylor Stands Down**

CRICKET Mark Taylor, the Australian captain, announced his re-tirement from international cricket on Tuesday, saying his heart was no longer in the game.

"I know that today I've made the right decision," Taylor said. "I am starting to lose the edge to compete, particularly on the international stage." Taylor, 34, said he wanted to spend more time with his family but would like to stay involved in the game, either as a television commentator or an administrator. (Reuters)

#### Carling Is Coming Back

RUGBY Will Carling, the former England captain, said Tuesday that he was coming out of a 13-month retirement to play for Harlequins. Carling, 33, quit Harlequins in January of last year after a dispute with the coach, Andy Keast, who has since been dismissed. (AP)

#### Payton Needs Transplant

FOOTBALL The former Chicago Bear star Walter Payton has a rare liver disease and needs a transplant. His doctor said Tuesday in Chicago that Payton was being placed on a list to receive a liver transplant. The cause of the disease — primary sclerosing cholangitis — is not known, but is not related to alcohol, steroids, hepatitis or any kind of immunodeficiency disease, Dr. Joseph Lagattuta said.

#### Padres Trade 50 Homers

BASEBALL San Diego's Greg Vaughn, who hit 50 homers last year, was traded to the Cincinnati Reds in a five-player deal Tuesday that sent Reggie Sanders to the

#### Goalie Makes His Case

HOCKEY With all the great goaltending in the NHL, it may be hard to pick out a Vezina Trophy winner this season. Now Ottawa's Ron Tugnutt has joined the race. With the help of another fine defensive performance by his teammates, Tugnutt backstopped the surging Senators to a 1-0 victory over the Vancouver Canucks on Monday night. Tugnutt only had to make 14 saves as he lowered his NHL-leading goals-against average to 1.58.

Elsewhere, it was Philadelphia 4, Los Angeles 2; New Jersey 2, Detroit 2: Washington 3, New York Rangers 1; Dallas 2, Calgary 2; St. Louis 4, Edmonton 3, in overtime; and San Jose 5, Chicago 1. (AP)

## Player of Year: Zidane

SOCCER Zinedine Zidane has won the 1998 FIFA Player of the Year award. France's World Cup-winning hero received 518 votes to 164 for Ronaldo of Brazil. Croatia's Davor Suker was third

# WORLD ROUNDUP IOC Credibility Faulted **As Drug Summit Opens**

Ability to Lead Anti-Doping Effort Doubted

By Paul Montgomery New York Times Service

LAUSANNE, Switzerland — Governments of some of the leading sports nations, including the United States and most of the European Union, asserted Tuesday that the credibility of the International Olympic Committee had been too seriously damaged to allow it the lead role in the international campaign against sports doping.

"The British government expects the

IOC to clean up its act," said Tony Banks, the British minister of sport.

The head of the American delegation at the international anti-doping congress here, General Barry McCaffrey, the White House drug policy director, said in a statement distributed to all 650 registrants that because of recent bribery scandals the IOC was in danger of losing its moral force.

'Let me sadly but respectfully note that recent examples of alleged corruption, lack of accountability, and the failure of leadership have challenged the legitimacy of this institution," he These events have tarnished the credibility of the movement.

The president of the IOC, Juan Antonio Samaranch, 78, who is presiding at the sessions here, listened expressionless to the succession of barely polite criticisms of his tenure since 1980 as

head of the Olympic movement. Mr. Samaranch, who uses his Spanish aristocratic title Marquis de Samaranch in official pronouncements, only displayed a bit of emotion when the IOC members whom he had personally pushed through to election gave fulsome praise to his leadership.

The anti-doping congress, called last fall after a summer of scandal at the Tour de France and elsewhere, was originally meant to reassert the priority of the IOC in matters of international sport.

Then, in December, came revelations of bribery and other questionable conduct in allocating the Olympics to bidding cities. So far, four of the then 115 members have resigned, and five others have been suspended pending expulsion by the full IOC, meeting here next month. In addition, an undetermined number of members are still under investigation.

The aim of the anti-doping conference is to establish an international agency to control the corrosive problem. to standardize prohibited substances and penalties in the various sports, and to create an alternative for young athletes who might believe that performance-enhancing drugs are the way to competition at the highest levels.

As late as last Sunday, Mr. Samaranch said that he should oversee the international agency, and that his associate, the Belgian aristocrat Prince Alexandre de Merode, should be in charge

The anti-doping effort, headed by the prince since its inception 30 years ago, is generally considered ineffective in the light of previous scandals and last summer's revelations. Critics say that the Olympics have concealed evidence of drug use by athletes to maintain the immensely lucrative commercial viability of the Games. In all, 49 presentations about doping were presented at

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the congress on Tuesday. It was one of the rare times in the 105-year history of the Olympic movement that governments have had input into the internal workings of the IOC.

· The first presentation, by the German sports minister, Otto Schily, set the tone. Mr. Schily, who presides over sports matters during the current six-month German presidency of the European Union, urged immediate reform of the IOC, with introduction of nonsecret voting, open financial accounts and democratic election of members.

The EU sports ministers are to meet in Bonn in May, with IOC reform very much on the agenda.

Earlier, in an interview on German television, Schily called the IOC "a kind of constitutional monarchy of sport" and said of Samaranch, "Everyone must know when it's time to go.

General McCaffrey said that an in-dependent drug agency would have to work "365 days of the year" and not just at competitions, and must be free to choose which athletes to test and where.

He also repeated a proposal to pre-serve urine and blood samples from winning athletes so that even years later, when new tests for currently undetectable drugs are found, the samples could be retested and the athletes stripped of their medals if found positive.

Frank Shorter, the American goldmedal winner in the marathon at the 1972 Olympics and silver-medal winner in 1976, said he had been greatly encouraged by the determination shown at the conference here to root out drug use.

He said athletes who were "clean"

often had the perception that the Olympic movement regarded drug testing as a public relations exercise rather than a real effort to find cheaters. He said he hoped creation of a truly independent international anti-doping agency would remove temptation from young athletes.

Shorter said that he had a 19-year-old son who was considering a career in distance running. "I don't want him to have to decide between drugs and not," he said. "As an athlete, I was waiting 22 years for something like this meeting to happen, and today it finally did."

#### ■ Sydney Is Cleared

The IOC cleared Sydney on Tuesday of any wrongdoing in connection with financial inducements offered on the eve of Sydney's selection as host of the 2000 Summer Games, The Associated Press reported from Lausanne. Jacques Rogge, an IOC executive board member, reviewed the documents of Sydney's bid and said, "No cash money was given, no under the table payment.



The IOC president, Juan Antonio Samaranch, making his opening address on Tuesday in Lausanne.

## Sword Missing? Maybe IOC Fell on It

By Kevin Sullivan Washington Post Service

TOKYO — So where's the sword? A missing Japanese samurai sword, handmade by one of Japan's most revered craftsmen and valued at as much as \$20,000, is the latest twist in the scandal enveloping the International Olympic Committee and its embattled president, Juan Antonio Samaranch.

Two Japanese Olympic officials say they personally saw Samaranch accept the prized sword in a Nagano hotel room in May 1991, one month before the IOC awarded Nagano the 1998 Winter Games. But Samaranch, according to IOC officials, has "no recollection at all" of receiving the sword.

The IOC says it has "absolutely no record" of any such gift to Samaranch and says that despite "thorough" reviews — last week and again Tuesday they have found no sword in the Olympic museum in Lausanne, Switzerland, or in any of the other places where official gifts are stored.

"I don't know - maybe the sword is somewhere in the Indian Ocean," said Soichiro Yoshida, a key figure on the Nagano Olympic bidding committee. "Maybe it disappeared here. It's a mys-

tery."

The sword has become a frustrating mystery in Japan, where the corruption scandal centering on the awarding of the 2002 winter Games to Salt Lake City, Utah, has prompted Japanese officials to investigate whether Nagano officials improperly used lavish gifts and entertainment to buy the votes of IOC members.

Nagano officials have said they burned the bid committee's records as a "courtesy" to IOC members to whom they had played host.

The sword clearly has become an irritation to Samaranch and the IOC as it struggles to contain the Salt Lake City scandal, which has spread suspicion and

allegations to other Olympic cities.
"We have a big painting, two small paintings and lots of knives, but no swords," an IOC spokesman, Franklin Servan-Schreiber, said Tuesday after checking the records a second time and consulting again with Samaranch. "We asked the president himself, the chief of staff, the director of marketing, all of whom were on that trip, and there is no ecollection of a sword.

The IOC has issued a written statement detailing what it described as false reports about the scandal. Referring to a recent news conference at which Nagano's governor, Goro Yoshimura, alleged that Samaranch had accepted the sword, the IOC denied the allegation, "with due respect to the govemor of Nagano."

But in an interview Tuesday, a second Nagano bidding committee official backed up Yoshimura's account, saying he was also in Samaranch's hotel room when he received the sword. It is absolutely true that we presen-

ted a sword to Mr. Samaranch, but what happened afterward we don't know." said Fumio Watanabe, a Nagano govemment official who was the bidding committee's official in charge of transportation for visiting dignitaries.

Watanabe said the sword had been

presented to Samaranch in his room at the Tokura Town Inn. He said Sa maranch had just arrived and was relaxing in his room when Tsugihira Takahashi, one of Japan's leading sword makers, arrived and gave him an 11-inch sword he had made specially for Samaranch.

Watanabe said Takahashi handed Samaranch the sword and gave him a brief explanation about it. Watanabe said he and Yoshimura were present, as well as two or three other people whose names he could not remember.

Takahashi died in August 1996. Samaranch has steadfastly defended his acceptance of gifts from officials in cities bidding to host the Games. He argues that he is not subject to the IOC's ban on accepting gifts valued at more than \$150 because he does not vote on where the Games will be held. He says gifts he receives become property of the IOC and that many of them are displayed in the Olympic museum.

The mystery sword is a special curiosity in Japan because this nation has some of the toughest laws in the world on registration of all kinds of weapons.

The idea that such a valuable sword could disappear is baffling to people here. Yoshimura said the sword presented to Samaranch was registered in the name of Yoshida, the Nagano bidding committee official Yoshimura said Yoshida's name had been used as a "convenience," without Yoshida's knowledge.
"I was so shocked," Yoshida said in

an interview Tuesday, adding that he knew nothing about a sword being presented to Samaranch.

## Tour de France Rider Hails Crackdown on Doping

By Samuel Abt

PARIS --- Wearing the yellow jersey of the overall leader, Chris Boardman crashed out of the Tour de France last summer during just the second of 21 iges and was recuperating at his home in England while the bicycle race was being nearly scuttled by a drug scandal, police raids and rider protests. From where Boardman sat, the view was

grim.
"I thought it was heavy-handed," he said of the crackdown by police and court officials. "Some of this information had been in police possession for months and they chose to use it during the Tour de France," he continued in a recent interview. "I thought it was politically in the continued in a recent interview." ical, using the Tour de France as a tooL'

Boardman was voicing a standard rider response to events that included the expulsion of the Festina team for systematic use of illicit, performancenhancing drugs, the questioning of a half-dozen other teams, two slowdowns by the riders and the eventual withdrawal of five teams.

What Boardman, 30, leader of the Credit Agricole team and the holder of the hour record ride against the clock, said next, though, was singular:

"Perhaps it was necessary. Now I'm starting to think maybe there is no other way to do it. You have to risk killing the patient for the cure."

"My feeling is that there's a very real possibility that the face of cycling will have been dramatically changed," the Briton added. "I think it will take two years, but I suspect that in the next couple of months, as racing gets under way, it will be quite a changed picture. If that's the case, great."

As the International Olympic Committee sponsors a three-day conference in Switzerland on doping in sports, the thoughtful and articulate Boardman may be speaking for only a handful of riders; he is known, as is his Credit Agricole team, which was formerly sponsored by Gan, for his strong opposition to drugs. More hopefully, his words may represent a general change in riders' attitudes. Whichever it is, he said he welcomed

strong steps to clean up his sport. "The drug thing in total has been a very disappointing period," he said. But we now have the most stringent anti-drug program of possibly any sport in the world. We have four medical tests a year to build up a rider's medical profile. All teams. If you want a license to race, you must adhere to these rules."

These tests are designed to discover swings in a rider's hematocrit level the percentage of red cells in his blood which, when it surpasses 50 percent. is assumed to be evidence of the use of the artificial hormone EPO. The drug is otherwise undetectable in blood or urine

"If somebody has a low hematocrit level at some point in the year and it's gone up 10 percent, there's got to be a reason for that or the person is suspended on health grounds," Boardman said. "We've got that in place.

'I think there could be a change. I could be wrong. And a change has to be in favor of a clean team like ours. It's quite a rosy-looking future.

"They can't attack the problem specifically," he continued, "so they're looking for the cause and they're doing it in such a thorough way — searching people's homes, searching suitcases, coming up to the races, making team doctors face severe penalties if they're caught doing something illicit — that the risk/reward ratio has been re-

"The risks are now so great, the big question is, 'Is it worth it?' " Boardman insisted that he bore no grudges against riders who have admitted drug use in races in which they you involved in this. First, for your

"I adopted the philosophy quite early on that you must decide where your own limits are and what you are and are not prepared to do. Otherwise you just get sucked in, you get bitter and twisted, disappointed by thinking somebody's

doing something you're not.
"Perhaps opportunities have passed me by, but I tend not to dwell on

things.

Same with the crash in the Tour last year - 'Oh, you're in the yellow jersey, that's terrible.' I said, 'No, accept that straight away, you can't do anything about it, just look forward instead of back.' If you dwell on it, what will you achieve? Nothing really. I just control the controllable."

He remembered that, a few seasons ago, an Italian team that has since disbanded was sweeping races amid wide suspicion that it was using EPO.

Roger Legeay, the directeur sportif, then and now, of Boardman's team, called his riders together and told them, according to Boardman: "I'm behind you. Other wins will come. I don't want

health. Obviously it's bad for the sport, but first I'm concerned about your

"I know it's hard for you," Legeay continued in his rider's account. "But they will have their comeuppance. At some point, a couple of days, weeks, months, it may even be years, it will explode.

"That," Boardman concluded, "has now basically happened."



— Franck Vandenbroucke of Belgium winning the first race of the road cycling season Tuesday in Gardanne, France.

## **CROSSWORD**

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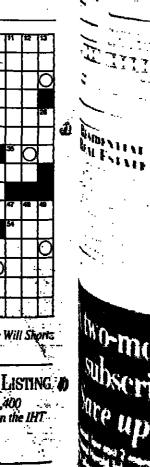
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### **SPORTS**

# Wave of Outrage Sweeps Away English Coach

ONDON - Somewhere in the world of soccer, with 203 prac-ticing nations, there is likely to be a coaching termination a day. On Tuesday, simply there were two. One came swift and straightforward; the other was tormous and unprecedented.

The first can be dismissed as summarily as it happened. David Platt, an Englishman bizarrely appointed coach to Sampdoria of Genoa a handful of games ago, has departed because the team did not win for him and because Italy's coaching brotherhood took up arms against his appointment in December.

Presumably, he walked away with much lira after signing a two-and-a-half-year contract. The misplaced gamble is not his fault. Platt is a good enough man, but at age 32 a novice. unqualified coach. He was appointed beyond his depth by Enrico Mantovani the Sampdoria president, who might himself be too inexperienced to sustain the Serie A status nurtured by his remarkable father, Paoio.

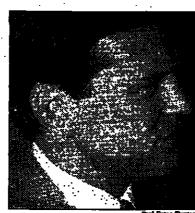
The son's falling short of the father is nothing new; the controversy surrounding the removal of England's national team coach, Glenn Hoddle, was

definitely in a category of its own. Hoddle is the 23d head coach our of the 32 at last summer's World Cup to have lost his position — but surely the first ever to lose his job because he voiced views about reincamation in a manner that offended most of England's population.

European Soccer/Rob Hughes

tional coach, the highest public profile in English sport, should have forfeited his job after his reported comment in last Saturday's Times of London. "You and I," Hoddle said, "have been physically given two hands and two legs and half-decent brains. Some people have not been born like that for a reason. The karma is working from another lifetime. I have nothing to hide about that. It is not only people with disabilities. What you sow, you have to reap.'

Outrage - and small doses of humor - followed. Tony Blair, the prime minister, said that if the words were accurately reported, Hoddle's position would be untenable. His sports minister, and the minister for the disabled,



There is no room to sit on the fence. I Glenn Hoddle in London while his am one of those who believe the na- future was being decided Tuesday.

repeated that in Parliament, And David

Blunkert, secretary of state for edu-cation, said, "Glenn's logic means that I must have been a fairly disastrous football coach in a previous life." Blunkett is one of a minority who can raise a smile. He is congenitally blind. The rest of England worked itself

into apoplexy. Freedom of speech campaigners became outnimbered by those who deem Hoddle to have gramitously stigmatized the disabled, and shown particularly insensitivity to handicapped children. Leading an even smaller minority was Eileen Drewery, the one-time pub-landlady turned faith healer and spu-

itualist who is Hoddle's mentor and whom he employs to care the ills of England players. The media, she complained, were "treating him worse than Saddam Hussein." The imbroglio came at an unfortunate time for the English FA, the mother of all soccer federations. Its chairman and its chief executive

resigned recently after attempts to buy

a seat on the executive of FIFA, the

international governing soccer body. So in London, the FA under temporary management sat in judgment.
This was complicated. The acting chief executive, David Davies, collaborated in a book with Hoddle that exposed secrets within the England World Cup camp. That lucrative indiscretion betrayed the players' trust,

and, unsurprisingly, the national team

Now, with a prestige international friendly against the world champion France at Wembley a week away, and with two crucial European qualifying contests against Poland and Sweden to follow, the coach again compromised England's goodwill.

Hoddle refused to resign quietly. He swore he never uttered the words stated in The Times, and his agent threatened to sue the newspaper. But the reporter, Matt Dickinson, had verbatim notes of the interview, and Hoddle eventually dropped his claims that he had been misquoted. He was reported Tuesday to have said that his reincarnation views were not inaccurately reported, though he maintained they were "mis-

The FA wrestled through Monday and then Toesday with the dilemma. As the country waited on their word, opinion polls rolled, soap opera chat shows whirled, and rumor fed rumor. Maybe, the media pack suggested, the FA was waiting for Platt to fly home and replace Hoddle. No, no, said others, AS Monaco, for which Hoddle once played with distinction, was ready to lure Hoddle back in a second coming, as coach. The French club admitted it still holds Hoddle in high regard, but denied making an offer.

By late Tuesday, decency prevailed, Hoddle and the FA terminated their contract, and another coach was on the market, replaced for one game at least by Howard Wilkinson, an experienced coach and already an FA employee.

Rob Hughes is the chief sports correspondent of The Times of London.

## **Arrest Was a Distraction** For Game, Falcons Say

By Mike Freeman New York Times Service

MIAMI — Some members of the Atlanta Falcons say they were not surprised when their teammate, Eugene Robinson, was arrested on charges of soliciting an undercover police officer for sex in a seedy section of Miami the night before Super Bowl XXXIII. After all, some of them said, other Falcons players had been there several times for the same purpose.

"Guys had been going there all week," one Falcon starter said. "It's just that Eugene was the only one who got caught.

In interviews after the game and on Monday, several Falcon starters spoke about Robinson's arrest and its effect on the team. Although they said they were unsure how many players had gone to the area north of downtown frequented by prostitutes, they estimated it was at least five, some of them starters.

The players said Robinson heard from teammates about the area and, the players added, "he wanted to see it for himself." The Miami police said Robinson offered an undercover officer \$40 for oral sex Saturday night. Robinson said he was not guilty of the charge, but he apologized to his teammates and his family, saying he did not "maintain the high standards for myself."

While publicly the Falcons players maintained Robinson's arrest was not a distraction, privately they said differently. Those interviewed said the morning of the game was extremely tense, and all the talk was about Robinson. "Instead of getting mentally ready

for the Broncos," said another player, "we were talking about Eugene. The Broncos beat us, but anyone who says what happened to Eugene was not a factor is lying."

Falcon players said the team did not play its normally sharp game, and that there were numerous blown blocking assignments and botched coverages. The comments were part of an extensive postmortem after Atlanta's 34-19 loss. The Falcons had figured to give the

Broncos a much better game.

No one has taken the loss harder than Dan Reeves, who is the third coach in National Football League history to go winless in four Super Bowls. "They don't get any easier," Reeves said. "I think the more you have, of those losses, the more you hun.'



MILE HIGH- A John Elway poster among 650,000 fans at the Super Bowl victory rally in Denver.

## SCOREBOARD

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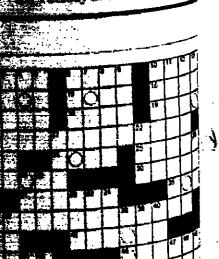
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Tamer) 3; W-Juneda 9 (Ordes, Johnsson) 34

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of goal: W-12-14-12-38. N.Y.-8-9-25.
Genties: W-Kohig, N.Y.-Richier.
Les Angeles

1 1-2
Philadelphia 2 1-1-4

1st Period: P-Desjordine 10 (Bureou) 2, PZelepukin 9 (Remberg, Brind-Amour) 3, Lor
Augeles, Ferrara 9 (Antdelte, C.Johnson) 2i
Period: P-Jones 13 (Dythufis) (pp). 3d

Period: P-Lindros 27 (LeClair, Jones) 6, LAAudeltie 6 (Galley, Dechesme) Shels en goal:
LA-Fest, P-Venblesbrouck.

Otheres

1 0-1

Vancouver I II D-1
Vancouver O II O-1
1st Pariod: O-Murtins 4 (Kravchuk, J.York)
(pp). 2st Pariod: None. 3d Pariod: None.
Shots on god: O 13-12-4-29. V-6-8-0-14.
Geolies: O-Tugnuti. V-Snow.
Chicago II 1 3-5
Ist Pariod: S.J.-Frieson 13 (Stern, Rounar-

Period: S.J.-Musphy 12 (Rouse, Lowry) (pp).
4. C-Moreon 8. 5. S.J.-Shurn 12 (Maffeeu, Murphy) 6. S.J.-Korolyuk 3 (Shurn, Ragnarson) 5. S.J.-146-13—33. Geodes: C-Thibouil: S.J.-Vernon.
Calgary

Deflies

1st Period: D-Nieuwendyk 11 (1 u-z
1st Period: D-Nieuwendyk 11 (1 umbers,
Hrtach (pp), 2d Period: D-Lehdmen 16 (Hull,
Modorno) 3d Period: C-Hutse 2 (Fleury) 4 C-,
Morris 6 (Bure, Fleury) Overfinate None.
Stots on gest: C- 12-49-4—29. D- 14-12-80—34. Geefles: C-Brutinwaffe. D-Beffour.

Denver 116, Utoh 111, 20T Phoesix 117, Dallas 109

McAnmand & E-Smyth 7 (Guerin, Weight) OT: 7, S.L.-Turgeon 15 (Demiro, Rheoune). Shots on god: S.L.- 9-7-41—21. E- 7-8-15-0—30, Godies: S.L.-Parent. E-Shidlenkov. BASKETBALL

New York at Orla

had lost its way since then.

O-34. Geniles:

St. Losts

St. Losts

St. Losts

St. Losts

St. Losts

St. Period: S.L.-Turgeon 14 (Young, Demiliru) (pp), 2. S.L.-Hundrus 3 (Prunger, Exstended) 21 Period: S.L.-Young 11 (Macinnis, Turgeon) (pp), 34 Period: E-Reinfen 2 Period: S.L.-Yungill (St. St. Minimos 3 (Folicon, St. St. Minimos 3 (Folicon, St. St. Minimos 3 (Folicon, St. St. Minimos 3 (Folicon, Phenome).

**NBA PRESEASON** 

Sacramento at San Anti Minnesota at Deaver

No. 1. Connecticut (19-1) lost to No. 16 Syru-cuse (16-6) 59-42. No. 17. N. Max. (17-6) batto No. 20 Utata (17-4) 57-39. No. 22. Coll. of Chart. (19-2) del. Ga. South. 66-41. LEADING COLLIGES
Hotstra 77, Acine 67
East Carolina 67, Old Dominion 62
VMI 74, The Chadel 72, OT Kansas é9, Kansas St. 46 Miami. Ohio 63, Toledo 57 S. Hilnois 85, Creighton 78

WOMEN No. 9 Date: (18-4) def. Maryland 72-54. THE AP MEN'S TOP 25 Top 25 learns in Associated Press stem's college basisathell poll, with first-place votes in parentheses, records through van.

es, nicords through Jan.

PEOPLE WOULD COME

FROM ALL OVER TO

listen to me

21. Indicana 22. Coli. of Cha 158 156 25. Mismi 13-5 156 23
Others receiving vetes: Okio. St. 137, Kan.
130, Flo. 116, Tenn. 113, Gonzogo 54, Murray
St. 54, Temple 39, Xavier 32, Mismi, Ohio 29,
6, Wosh. 25, Tex. Christian 27, Tubas 26, Tex.
22, Miss. 21, Wosh. 19, Toledo 15, Clemson
13, N.C. Charlotte 13, Villanova 13, SW Mo.
St. 10, Detroit 8, N. Mez. St. 8, Old Dominion
5, Louisville 4, Cheighton 3, Slana 2, NW 1. THE AP WOMEN'S TOP 25 Recent

9. St. John's 10. Arizona 11. Wisconsi 12. North Co 13. UCLA

14. jawa 15. Chia St

21-1 18-3 19-4 20-1 19-3 18-3 19-3 18-5 15-6 15-6 17-7 18-6 17-7 18-6 15-6 500 439 439 374 270 177 175 23

Pfs Prs 1,024 1 961 2 1. Tennessee (40) 19-1 19-1

7. UCLA
8. Georgia
9. Duke
10. Texas Tech
11. Old Dorabilor
12. Rutgers
13. North Caselin
14. Virginiz Tech
15. Josep St.
16. Virginiz
17. Clemson
18. Penn St.
18. Authors

St. Oregon 50, 15. 26, Toledo 22, Louisville 16, Marquette 12, Colo. 10, Fa. 9, Xavier 9, SW Mo. St. 5, Neb. 4, W. Ky. 2, Woshi, 2, Mich. L. Miss. St. 1, Santa Clara 1, St Mary's, Cal. 1. CRICKET

SOUTH AFRICA VS. WRST IMPIES FIFTH ONE DAY INTERNATIONAL TUERDAY IN CAPE TOWN, DAYARGHT MATCH South Africo: 221 for eight in 50 overs. West indies: 132.

**CALVIN AND HOBBES** 

I'M HO-OME.

870 807 788 749 746 738 661 613 1. David Daval 912.500 2. Mark Officers, 737.500 3. Tiger Woods, 586.875 4. Jim Furyk, 550.500 549 541 517 421 388 316 287 223 209 161 146 144 102 85 5. Davis Love 3d, 477.500 6. Steve Stricker, 412.500 7. Justin Leonard, 384.375 8. Fred Funk, 770.000 9. Fred Couples, 367-500 10. Billy Maylak, 347-500 11, Hai Setton, 336,250 12. Jeff Slumon, 335.417 13. Jeff Moggert, 335.000 14. Phil Mickelson, 331.250 15. John Huston, 319.583

GOLF

RYDER CUP

15. John Huston, 319,583
EUROPE
1. Colin Montgomerie, Scotland, 5,334,28
1. Colin Montgomerie, Scotland, 5,334,00
2. Dorren Ciarke, N.Jreland, 2,291,00
3. Sven Shrwer, Germany, 2,600,00
4. Miguel Angel Jimenez, Spain, 2,513,00
5. Lee Westwood, England, 1,960,00
6. Robert Kortsson, Sweden, 1,966,00
7. Jamo Sandelin, Sweden, 1,760,00
8. Andrew Collin, Sweden, 1,760,00
9. Potrik Soiland, Sweden, 1,590,00 9. Patrik Sjaland, Sweden, 1,590,00 10. Bernhard Langer, Germany, 1,365 11. Pierre Fulke, Sweden, 1,364,00 12. Alex Celka, Germany, 1,252,00 13. Steven Webster, England, 1,193.00

## TRANSITIONS

NAJOR LEAGUE BASEBALL AMERICAN LEAGUE

N.Y. YANKEES—Traded 38 Mike Lowell to
Florida for LNP Ed Yarnol, RHP Mark Jennson and RHP Todd Noet.

NATIONAL LEAGUE

HOUSTON—Agreed to terms with OF Cerl

Everett on 1-year contract.

BASKETBALL ASSOCIATION

NATIONAL BASKETBALL ASSOCIATION ATLANTA—Signed F Grant Long. Waived F akad Hendrix. CHARLOTTE-Waived G Master P (Perc

Werdam.

NEW JERSEY—Walved F Strerell Ford, C
Steve Goodrich and C Kevin Solvador,

NEW YORK—Signed G-F David Wingate.

SACRAMENTO—Signed C Oliver Militer.

SACRAMENTO—Signed C CHIVE Miller.

NO GREY

NATIONAL HOCKEY LEAGUE

CAROLINA—Agreed to terms with F Somi
Koponen on 3-year controot extension.

PTTTSBURGH—Assigned G Jean-Schostien
Author to Koneas City, IHL

State Share School Schoo TAMPA BAY\_Reculled D Andrei Skor TAMPA BAT—RECEIBED DANIEL SARREL SARDPHISES

OND DA Morio Lorocque from Cleveland, IHL.

SOLLEGE

NEVADA—Announced resignation of Professer, ments basketball cooch, effective all entit of season.

SOUTH CAROLINA-Suspended senior bos

GREAT. THE SHOW CUSHIONE THE BLOW TO MY SPINE, SO

AMW, HAS OO

GOT DE

TARKE BY

#### DENNIS THE MENACE





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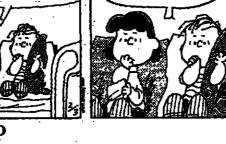


BEETLE BAILEY

MY HAIR IS JUST

AWFUL TODAY !





MINE, TOO. IS IT THE WEATHER?



THAT COULD BE VERY

INTERESTING.







**BEONDIE** 



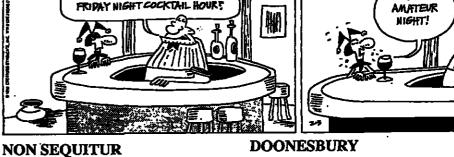


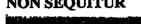
















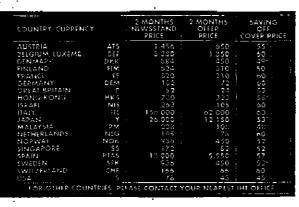






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## An Artistic Fusion

By Carol Vogel New York Times Service

NEW YORK — In an effort to stay as up-to-theminute as its name, the 70-

land City, Queens. The merger is a marriage of \$100,000 a year, its greater resources and innovation. It aid will likely come in fundwill give the Modern a far raising help and cross-margreater involvement with art keting efforts in which, for of the moment, which it has example, both museums can long been accused of slightbe featured in joint mailings. ing in favor of the earlier movements it helped place in founding director, will rethe 20th-century canon. It main its head, but she will will also give the Manhattan report to Lowry. Heiss will museum a presence in another also become a deputy director borough, help it reach a of the Modern. Meanwhile, younger audience and give it Lowry said, several members access to new exhibition of the Modern's board will space at a time when it will serve on P.S. 1's board. He have to shut down parts of its building on West 53d Street between a university and one during a major expansion. For P.S. 1, the 28-year-old

showcase for contemporary work that has helped attract a number of artists to its neigh- about her center's long-run borhood, the union will provide access to the Mod- cessful \$8.5 million renovaem's vast collection and deep tion two years ago led her to pockets and to marketing re- think of a merger. "I started sources that will likely bolster worrying about our stability its visibility.

The opportunities are unprecedented," said Glenn borrow works when we need ern, adding that the future of MOMA's collection and its his museum "lies in its com- curatorial expertise is a tremitment to contemporary mendous resource for us.'

be a boost for working-class offices and workshops.

building. The Romanesque for organizing blockbuster Revival edifice was a public exhibitions of legendary school, which was closed by artists like Picasso, Bonnard the Board of Education in and Pollock.

1976, and the center has been established there for more than 20 years.

Just how much financial support the Modern plans to invest in P.S. 1 is unclear, in year-old Museum of Modern part because the details of the Art has reached an agreement merger will be ironed out over to merge with the small, cut- the next 60 days. While one ting-edge P.S. I Center for trustee estimated that the Contemporary Art in Long Is- Modern's direct investment would not be more than about

> Alanna Heiss, P.S. 1's of its constituent schools.

Heiss said that concern prospects following a suclong-term,

We've always been able to Lowry, director of the Mod- them. But to have access to The financial support will The deal also promises to also be important, she said.

The Modern has an endow-Long Island City, where the ment of about \$300 million, a Modern is also buying a world-class collection of nearby building for storage, more than 100,000 works of contemporary and modern art The city owns the P.S. 1 and objects, and a reputation

# Victoria and Albert Museum Polishes Its Profile

By Alan Riding New York Times Service

ONDON - The Victoria and Albert Mu-Leseum has not been a happy house in recent years. It was thrown into disarray in 1988 when eight senior curators were dismissed overnight as part of a management shake-up. It was deluged with bad publicity when it introduced admission charges in 1996. And more recently it has been under attack from traditionalists for backing an adventurous plan to add an ultramodern extension to its late 19th-century red brick building.

The museum's troubles did not end there. After some National Lottery profits were assigned to arts projects in the mid-1990s, the Tate Gallery, the British Museum and the Royal Opera House quickly won financing for expensive expansions and renovations. When it was the Victoria and Albert's turn to seek funds, it was turned down, not only for its avant-garde extension, but also, initially, for the renovation of its British Galleries. Understandably, it began to seem like the

Cinderella of South Kensington.

Last November, the V&A, as it is widely known, finally got a break: The Royal Borough of Kensington and Chelsea unexpectedly authorized construction of the perfect extension, known as the Spiral, that had provoked such a storm of criticism. In one daring decision, approved by eight votes to four and overruling a recommended rejection by planning officers, the council gave a huge boost for modern architecture in London and a muchneeded vote of confidence for the museum.

"I think it is a good omen." said Alan Borg, who became the museum's director in 1995 after running the Imperial War Mu-seum. "We benefited from the feeling that it was time Britain did something in architecture. But it was also recognition that we are a dynamic museum, with lots of things

that other museums don't have." On that, there is no debate. The V&A has the world's largest collection of applied and decorative arts, spanning 2,000 years and embracing ceramics, metalwork, jewelry, furniture and textiles. Its four million art objects, of which only 20 percent can be shown in its 12 acres (5 hectares) and seven miles (11 kilometers) of galleries, also include sculptures, paintings, drawings, prints and photographs. And as home to the National Art Library, it is a respected research

center and publisher of art books.



Alan Borg, director of the Victoria and Albert: "We are a dynamic museum."

with blockbusters than with scholarship, the V&A is bound to struggle for media attention. It regularly puts on original shows of design through the ages, but these cannot compete in glamour — or attendance numbers — with, say, the recent Cezanne and the coming Jackson Pollock retrospectives at the Tate Gallery or the current crowd-pleaser. "Monet in the raising the \$110 million needed to build the 20th Century." at the Royal Academy.
"We need to refocus the public perception

by showing that this museum is part of the contemporary world." Borg, a 57-year-old art historian, said in an interview. "And we aim to do this more visibly and with a higher profile."

In a sense, the museum began to do so with The museum will also present "Design and the Digital Age" this summer and final stop will be the V&A trself, for a three-"brand new." a show about branding new month display starting Oct. 14.

Nothing, of course, will identify the V&A more with the 21st century than construction of the Spiral, the "tumbling boxes" extension designed by the American architect Daniel Libeskind (who has just completed Spiral from lottery grants and private contributions, it must first polish its image.

Interestingly, it began this "profile build-ig." as Borg puts it, in North America in 1997 with an ambitious exhibition, "Grand Design: The Art of the Victoria and Albert Museum," organized and presented first by the Baltimore Museum of Art. The show has "Cutting Edge." a 1997 show of avant-garde fashion that drew 230,000 visitors. and will be seen at the Fine Arts Museums in San Francisco from Feb. 13 to May 9. Its slightly favorable.

V&A served as a role model for many American museums, including those of Baltimore, Boston, and Brooklyn, New York. "The idea was to use the museum as an overtly educational instrument, to teach art and design, to be useful, to do something for the public," Borg said.

In truth, in creating the Museum of Manufactures in 1852, just after the Great Exhibition of 1851, the government saw it principally as a way of raising the standards of British design in the context of the In-

dustrial Revolution. Its educational role was added by its founding director, Henry Cole, who saw the museum being "elevated from being a mere unintelligible lounge for idlers into an impressive schoolroom for everyone." Renamed the South Kensington Museum, it opened on its present site on the corner of Exhibition Road and Cromwell Road in

But by May 1899, when Queen Victoria gave the museum its present name in memory of her consort, the V&A had lost its populist touch. Even now, while the V&A has many fervent admirers, a good many Londoners stay away, believing erroneously that it is a museum of Victorian art.

In looking to the future, Borg has therefore sought inspiration in the museum's earliest years. 'I think the museum should be trying to lead taste, to show people what is good design from the past and the present, he said. "We should take some risks; we can even say, 'This will be the next big thing."

He clearly has plenty on his plate with managing the museum's 800-member staff and an annual budget of about £40 million (\$65 million), promoting its new contemporary image and finding the money for the £30 million renovation of the British Galleries. As a result, many London art experts believe that the Spiral is too ambitious.

Borg, though, is unfazed. He said that the success of the new Guggenheim Museum in Bilbao, Spain, had shown what modern architecture can do for a city. He also noted that according to polls commissioned by the V&A, public attitudes toward the Spiral in London had gone from largely hostile to

Just as changing opinion resulted in "brand.new." a show about branding new products, next year. Its main event in 2000
will be "Art Nouveau 1890-1914," a major objects in a way that illustrates the museum's objects in a way that illustrates the museum's stitutions," Borg said. "The next 12 months nter and publisher of art books.

exhibition on art and design that will travel to Yet in an era when museums compete more the National Gallery of Art in Washington.

exhibition on art and design that will travel to unusual history, "Grand Design" also seeks to remind visitors that in the 19th century the we have support."

### **PEOPLE**

A MONG the big winners at the TV Guide Awards in Los Angeles were 'X-Files'' star David Duchovny "Buffy the Vampire Slayer." Duchovny was voted favorite actor by TV Guide readers, and was named sexiest and best-dressed male in a separate on-line poll. "Buffy the Vampire Slayer" won in seven of the Internet survey categories, including best science-fiction fantasy show. Its star. Sarah Michelle Gellar, was voted sexiest female. "Frasier" was voted best comedy series, while "ER" won for best drama series. In the on-line poll, the winner for best pet was Joey's duck, Hercules, in the series "Friends."

Johnny Depp was back to his badgraphers with a piece of wood outside a trendy London restaurant, the police said. They held the actor for almost four hours after the fracas at Mirabelle, where he had dined with the French singer and actress Vanessa Paradis, newspapers reported. 'Johnny Depp is a person who guards his privacy." his publicist said in a statement. "He had asked photographers to abstain from photographing him. Unfortunately, they persisted and intentionally provoked him.

The mezzo-soprano Marilyn Horne and the late composer-educator William Schuman are among 14 people violinist Jascha Heifetz; the conduct-

chosen this year for the American Classical Music Hall of Fame and Museum in Cincinnati. The inductees, who were announced Monday, also include the music division of the Library of Congress. The others are the composers Bela Bartok, Amy Marcy Beach, Charles Tomlinson Griffes, William

## Gearing Up for the Berlin Film Festival

B ERLIN—The true story of a lesbian love affair in Nazi Germany will open the 49th Berlin Film Festival on Feb. 10, its organizers said Tuesday.

"Aimee und Jaguar," a German production that tells the story of a housewife and her Jewish journalist lover, is one of 25 films from Europe, Asia and North America that will compete for the festival's Golden Bear award.

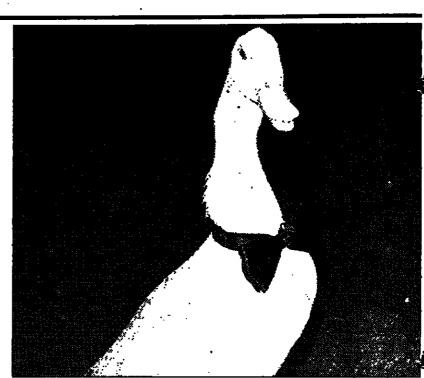
The American actress Shirley MacLaine will be presented with a lifetime achievement award at a screening of her 1980 feature "Being There," which co-starred Peter Sellers, and the late Austrian director Otto Preminger will be honored in a retrospective. "Shakespeare in Love." "eXistenZ" by David Cronenberg and the World War II drama "The Thin Red Line" are among U.S. productions vying for the top award. France will be represented by "Au Coeur du Mensonge" (At the Heart of the Lie) by Claude Chabrol.

ors Max Rudolf and Dimitri Mitropoulos, and the composer-educator George Whitefield Chadwick. They are to be honored April 24.

Goldie Hawn and Samuel L. Jackson are the recipients of Harvard's annual Hasty Pudding awards, given to performers who have made a "lasting and impressive contribution to the world of entertainment." Hawn will lead a parade through the streets of Harvard Square on Feb. 11 with male students dressed in drag. Jackson will be homnored Feb. 18, at the opening night performance of the troupe's annual the-

More than 700 items from the Long Island estate of Madame Chiang Kai-Shek, the 101-year-old widow of the former Chinese leader, Chiang Kai-Shek, were sold at auction in South Norwalk, Connecticut, over the weekend. A pair of French chandeliers sold for \$62,500, and a clock sold for \$65,000.

atrical production.



Hercules, favorite pet, according to an on-line poll for TV Guide.



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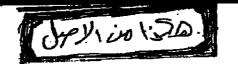


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